

EXHIBIT D

GEMINI INSURANCE COMPANY

A STOCK COMPANY
(herein called "the Company")

COMMON POLICY DECLARATIONS

Policy No.: VGGP001915

Named Insured and Mailing Address

CONSTRUCTION ENTERPRISES, INC.
2179 Edward Curd Lane
FRANKLIN, TN 37067

Renewal/Rewrite of: _____

This insurance contract is with an insurer not licensed to transact insurance in this state and is issued and delivered as a surplus line coverage pursuant to the Tennessee insurance statutes.

Surplus Lines Broker:

Name: Tomas E. Tio

Address: 3630 Peachtree Road NE, Ste. 1700

Atlanta, GA 30326

Policy Period: From 02/16/2016 to 02/16/2017 at 12:01 a.m. Standard Time at the address of the Named Insured as stated herein

THE NAMED INSURED IS: Corporation

BUSINESS DESCRIPTION: GENERAL CONTRACTOR

AUDIT PERIOD: ☒ Annual ☐ Other

IN RETURN FOR THE PAYMENT OF THE PREMIUM AND SUBJECT TO ALL THE TERMS OF THIS POLICY, WE AGREE WITH YOU TO PROVIDE THE INSURANCE AS STATED IN THIS POLICY.

THIS POLICY CONSISTS OF THE FOLLOWING COVERAGES FOR WHICH A PREMIUM IS INDICATED. THIS PREMIUM MAY BE SUBJECT TO ADJUSTMENT.

Commercial General Liability Coverage Part	\$	425,040
Tennessee Premium: <u>\$425,040.00</u>		
Fees: <u>\$0.00</u>		
Surplus Lines Tax: <u>\$21,252.00</u>		
TOTAL PREMIUM	\$	425,040

Form (s) and Endorsement (s) made a part of this policy at inception.

See attached schedule:

This policy is not binding unless sealed and countersigned by Gemini Insurance Company or its Authorized Representative.



Countersigned On: 2/12/2016

By: _____

At: Greenwich, Connecticut

Authorized Representative

THESE COMMON POLICY DECLARATIONS AND, IF APPLICABLE, THE COMMERCIAL PROPERTY COVERAGE, THE COMMERCIAL GENERAL LIABILITY DECLARATIONS TOGETHER WITH THE COMMON POLICY CONDITIONS, COVERAGE PART (S), FORM (S) AND ENDORSEMENTS, IF ANY, ISSUED TO FORM A PART THEREOF, COMPLETE THE ABOVE NUMBER POLICY

This insurance contract is with an insurer not licensed to transact insurance in this state and is issued and delivered as a surplus line coverage pursuant to the Tennessee insurance statutes.

Name and address of writing agent: _____

COMMERCIAL GENERAL LIABILITY COVERAGE PART DECLARATIONS

Policy: VGGP001915

Effective Date: 02/16/2016

Named Insured: CONSTRUCTION ENTERPRISES, INC.

LIMITS OF INSURANCE

Each Occurrence Limit	\$2,000,000	
General Aggregate Limit(Other than Products-Completed Operations)	\$4,000,000	
Products-Completed Operations Aggregate Limit	\$4,000,000	
Personal & Advertising Injury Limit	\$2,000,000	
Damage to Premises Rented to You	\$100,000	Any one premises
Medical Payments	EXCLUDED	Any one person

RETROACTIVE DATES

This insurance does not apply to “bodily injury”, “property damage” or “personal and advertising injury” which occurs before the Retroactive Date, if any, shown here:

NONE

(Enter Date or “NONE” if no Retroactive Date applies.)

PREMIUM

Class	Description	Estimated Exposure	Premium Basis	Rate	Premium
91585	Contractors - subcontracted work - in connection with construction reconstruction repair or erection of buildings - NOC	\$165,000,000	Per 1,000 Gross Sales	\$2.576	\$425,040

Advance Premium:	\$425,040
Minimum Term Premium:	90% \$382,536
Minimum Earned Premium at Inception:	25% \$106,260
Terrorism Premium:	Terrorism has been rejected by the Insured
Total Premium:	\$425,040

THESE DECLARATIONS ARE PART OF THE POLICY DECLARATIONS CONTAINING THE NAME OF THE INSURED AND THE POLICY PERIOD.

SCHEDULE OF FORMS

Named Insured: CONSTRUCTION ENTERPRISES, INC.

POLICY NO.: VGGP001915

FORM NUMBER	End. #	TITLE
CG 00 01 12 07		Commercial General Liability Coverage Form
CGLDEC 05 14		Commercial General Liability Declarations
SCHED 03 08		Schedule of Forms
POLCVLTR 03 14		Vela Policy Cover Letter
CMNDEC 03 08		Common Declarations
VE 67 09 03 14	01	Claims Reporting
IL 00 21 09 08	02	Nuclear Energy Liability Exclusion (Broad Form)
VE 04 94 09 13	03	Lead Exclusion
VE 66 08 09 13	04	Asbestos Exclusion
VE 06 05 04 14	05	Deductible Liability Insurance - Per Occurrence
VE 0562 01 12	06	Specified Operations Exclusion - New York
CG 2135 10 01	07	Exclusion - Coverage C - Medical Payments
VE 0442 07 09	08	Tainted Drywall Exclusion
CG 2417 1001	09	Contractual Liability - Railroads
CG2165 12 04	10	Total Pollution Exclusion with a Building Heating, Cooling and Dehumidifying Equipment
VE 0539 02 11	11	Knowledge of Occurrence
AD 66 16 04 09	12	Residential Construction Operations Exclusion with Exception
AD 66 16 04 09	13	Broad Form Named Insured
AD 66 16 04 09	14	Limited Condo Conversion Exclusion
AD 66 16 04 09	15	Fellow Employee Coverage
CG 21 96 03 05	16	Silica or Silica-Related Dust Exclusion
CG 21 67 12 04	17	Fungi or Bacteria Exclusion
VE 06 00 06 14	18	Common Policy Conditions
CG 20 01 04 13	19	Primary and Noncontributory - Other Insurance Condition
CG 20 33 04 13	20	Additional Insured - Owners, Lessees or Contractors
CG 20 37 04 13	21	Additional Insured - Owners, Lessees or Contractors - Completed Operations
VE 0586 04 13	22	Additional Insured - Lessor of Leased Equipment - Automatic Status When Required in Lease Agreement With You
CG 21 54 01 96	23	Exclusion - Wrap-ups
CG 22 43 04 13	24	Exclusion - Engineers, Architects or Surveyors Professional Liability
CG 22 79 04 13	25	Exclusion - Contractors - Professional Liability
CG 23 01 04 13	26	Exclusion - Real Estate Agents or Brokers Errors or Omissions

FORM NUMBER	End. #	TITLE
CG 04 35 12 07	27	Employee Benefits Liability Coverage
CG 21 47 12 07	28	Employment Related Practices Exclusion
CG 24 04 05 09	29	Waiver of Transfer to Rights of Recovery Against Others To Us
CG 24 26 04 13	30	Amendment of Insured Contract Definition
VE 06 14 10 13	31	Exclusion - Exterior Insulation and Finish Systems - Exception for Scheduled Products
VE 01 84 12 13	32	Designated Construction Project(s) General Aggregate Limit - Subject To A Maximum Aggregate
VE 05 81 02 14	33	Subcontractor and Independent Contractor Conditional Amendment of Deductible
VE 0436 06 14	34	60 Day Notice of Cancellation
VE 06 39 09 14	35	Exclusion - Cross Liability - Named Insured
VE 6640 09 14	36	Exclusion - Continuous or Progressive Damage Claims
CG 21 73 01 15	37	Exclusion of Certified Acts of Terrorism
VE 01 39 05 15	38	Notice Of Cancellation To Designated Entities
VE 06 58 06 15	39	Exclusion - Intellectual Property
VE 05 06 08 15	40	Amendment - Premium Audit
VL 06 84 09 15	41	Service of Suit
VE 06 81 09 15	42	Exclusion - Violation of Trade or Economic Sanctions Laws or Regulations
VE 05 88 11 15	43	Premium Basis

COMMERCIAL GENERAL LIABILITY COVERAGE FORM

Various provisions in this policy restrict coverage. Read the entire policy carefully to determine rights, duties and what is and is not covered.

Throughout this policy the words "you" and "your" refer to the Named Insured shown in the Declarations, and any other person or organization qualifying as a Named Insured under this policy. The words "we", "us" and "our" refer to the company providing this insurance.

The word "insured" means any person or organization qualifying as such under Section II – Who Is An Insured.

Other words and phrases that appear in quotation marks have special meaning. Refer to Section V – Definitions.

SECTION I – COVERAGES

COVERAGE A BODILY INJURY AND PROPERTY DAMAGE LIABILITY

1. Insuring Agreement

- a. We will pay those sums that the insured becomes legally obligated to pay as damages because of "bodily injury" or "property damage" to which this insurance applies. We will have the right and duty to defend the insured against any "suit" seeking those damages. However, we will have no duty to defend the insured against any "suit" seeking damages for "bodily injury" or "property damage" to which this insurance does not apply. We may, at our discretion, investigate any "occurrence" and settle any claim or "suit" that may result. But:

- (1) The amount we will pay for damages is limited as described in Section III – Limits Of Insurance; and
- (2) Our right and duty to defend ends when we have used up the applicable limit of insurance in the payment of judgments or settlements under Coverages A or B or medical expenses under Coverage C.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under Supplementary Payments – Coverages A and B.

- b. This insurance applies to "bodily injury" and "property damage" only if:

- (1) The "bodily injury" or "property damage" is caused by an "occurrence" that takes place in the "coverage territory";
- (2) The "bodily injury" or "property damage" occurs during the policy period; and
- (3) Prior to the policy period, no insured listed under Paragraph 1. of Section II – Who Is An Insured and no "employee" authorized by you to give or receive notice of an "occurrence" or claim, knew that the "bodily injury" or "property damage" had occurred, in whole or in part. If such a listed insured or authorized "employee" knew, prior to the policy period, that the "bodily injury" or "property damage" occurred, then any continuation, change or resumption of such "bodily injury" or "property damage" during or after the policy period will be deemed to have been known prior to the policy period.

- c. "Bodily injury" or "property damage" which occurs during the policy period and was not, prior to the policy period, known to have occurred by any insured listed under Paragraph 1. of Section II – Who Is An Insured or any "employee" authorized by you to give or receive notice of an "occurrence" or claim, includes any continuation, change or resumption of that "bodily injury" or "property damage" after the end of the policy period.
- d. "Bodily injury" or "property damage" will be deemed to have been known to have occurred at the earliest time when any insured listed under Paragraph 1. of Section II – Who Is An Insured or any "employee" authorized by you to give or receive notice of an "occurrence" or claim:

- (1) Reports all, or any part, of the "bodily injury" or "property damage" to us or any other insurer;
- (2) Receives a written or verbal demand or claim for damages because of the "bodily injury" or "property damage"; or
- (3) Becomes aware by any other means that "bodily injury" or "property damage" has occurred or has begun to occur.

- e. Damages because of "bodily injury" include damages claimed by any person or organization for care, loss of services or death resulting at any time from the "bodily injury".

2. Exclusions

This insurance does not apply to:

a. Expected Or Intended Injury

"Bodily injury" or "property damage" expected or intended from the standpoint of the insured. This exclusion does not apply to "bodily injury" resulting from the use of reasonable force to protect persons or property.

b. Contractual Liability

"Bodily injury" or "property damage" for which the insured is obligated to pay damages by reason of the assumption of liability in a contract or agreement. This exclusion does not apply to liability for damages:

- (1) That the insured would have in the absence of the contract or agreement; or
- (2) Assumed in a contract or agreement that is an "insured contract", provided the "bodily injury" or "property damage" occurs subsequent to the execution of the contract or agreement. Solely for the purposes of liability assumed in an "insured contract", reasonable attorney fees and necessary litigation expenses incurred by or for a party other than an insured are deemed to be damages because of "bodily injury" or "property damage", provided:
 - (a) Liability to such party for, or for the cost of, that party's defense has also been assumed in the same "insured contract"; and
 - (b) Such attorney fees and litigation expenses are for defense of that party against a civil or alternative dispute resolution proceeding in which damages to which this insurance applies are alleged.

c. Liquor Liability

"Bodily injury" or "property damage" for which any insured may be held liable by reason of:

- (1) Causing or contributing to the intoxication of any person;
- (2) The furnishing of alcoholic beverages to a person under the legal drinking age or under the influence of alcohol; or
- (3) Any statute, ordinance or regulation relating to the sale, gift, distribution or use of alcoholic beverages.

This exclusion applies only if you are in the business of manufacturing, distributing, selling, serving or furnishing alcoholic beverages.

d. Workers' Compensation And Similar Laws

Any obligation of the insured under a workers' compensation, disability benefits or unemployment compensation law or any similar law.

e. Employer's Liability

"Bodily injury" to:

- (1) An "employee" of the insured arising out of and in the course of:
 - (a) Employment by the insured; or
 - (b) Performing duties related to the conduct of the insured's business; or
- (2) The spouse, child, parent, brother or sister of that "employee" as a consequence of Paragraph (1) above.

This exclusion applies whether the insured may be liable as an employer or in any other capacity and to any obligation to share damages with or repay someone else who must pay damages because of the injury.

This exclusion does not apply to liability assumed by the insured under an "insured contract".

f. Pollution

(1) "Bodily injury" or "property damage" arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants":

(a) At or from any premises, site or location which is or was at any time owned or occupied by, or rented or loaned to, any insured. However, this subparagraph does not apply to:

(i) "Bodily injury" if sustained within a building and caused by smoke, fumes, vapor or soot produced by or originating from equipment that is used to heat, cool or dehumidify the building, or equipment that is used to heat water for personal use, by the building's occupants or their guests;

(ii) "Bodily injury" or "property damage" for which you may be held liable, if you are a contractor and the owner or lessee of such premises, site or location has been added to your policy as an additional insured with respect to your ongoing operations performed for that additional insured at that premises, site or location and such premises, site or location is not and never was owned or occupied by, or rented or loaned to, any insured, other than that additional insured; or

(iii) "Bodily injury" or "property damage" arising out of heat, smoke or fumes from a "hostile fire";

(b) At or from any premises, site or location which is or was at any time used by or for any insured or others for the handling, storage, disposal, processing or treatment of waste;

(c) Which are or were at any time transported, handled, stored, treated, disposed of, or processed as waste by or for:

(i) Any insured; or

(ii) Any person or organization for whom you may be legally responsible; or

(d) At or from any premises, site or location on which any insured or any contractors or subcontractors working directly or indirectly on any insured's behalf are performing operations if the "pollutants" are brought on or to the premises, site or location in connection with such operations by such insured, contractor or subcontractor. However, this subparagraph does not apply to:

(i) "Bodily injury" or "property damage" arising out of the escape of fuels, lubricants or other operating fluids which are needed to perform the normal electrical, hydraulic or mechanical functions necessary for the operation of "mobile equipment" or its parts, if such fuels, lubricants or other operating fluids escape from a vehicle part designed to hold, store or receive them. This exception does not apply if the "bodily injury" or "property damage" arises out of the intentional discharge, dispersal or release of the fuels, lubricants or other operating fluids, or if such fuels, lubricants or other operating fluids are brought on or to the premises, site or location with the intent that they be discharged, dispersed or released as part of the operations being performed by such insured, contractor or subcontractor;

(ii) "Bodily injury" or "property damage" sustained within a building and caused by the release of gases, fumes or vapors from materials brought into that building in connection with operations being performed by you or on your behalf by a contractor or subcontractor; or

(iii) "Bodily injury" or "property damage" arising out of heat, smoke or fumes from a "hostile fire".

(e) At or from any premises, site or location on which any insured or any contractors or subcontractors working directly or indirectly on any insured's behalf are performing operations if the operations are to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants".

- (2) Any loss, cost or expense arising out of any:
- (a) Request, demand, order or statutory or regulatory requirement that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants"; or
 - (b) Claim or "suit" by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of, "pollutants".

However, this paragraph does not apply to liability for damages because of "property damage" that the insured would have in the absence of such request, demand, order or statutory or regulatory requirement, or such claim or "suit" by or on behalf of a governmental authority.

g. Aircraft, Auto Or Watercraft

"Bodily injury" or "property damage" arising out of the ownership, maintenance, use or entrustment to others of any aircraft, "auto" or watercraft owned or operated by or rented or loaned to any insured. Use includes operation and "loading or unloading".

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the "occurrence" which caused the "bodily injury" or "property damage" involved the ownership, maintenance, use or entrustment to others of any aircraft, "auto" or watercraft that is owned or operated by or rented or loaned to any insured.

This exclusion does not apply to:

- (1) A watercraft while ashore on premises you own or rent;
- (2) A watercraft you do not own that is:
 - (a) Less than 26 feet long; and
 - (b) Not being used to carry persons or property for a charge;
- (3) Parking an "auto" on, or on the ways next to, premises you own or rent, provided the "auto" is not owned by or rented or loaned to you or the insured;
- (4) Liability assumed under any "insured contract" for the ownership, maintenance or use of aircraft or watercraft; or

(5) "Bodily injury" or "property damage" arising out of:

- (a) The operation of machinery or equipment that is attached to, or part of, a land vehicle that would qualify under the definition of "mobile equipment" if it were not subject to a compulsory or financial responsibility law or other motor vehicle insurance law in the state where it is licensed or principally garaged; or
- (b) the operation of any of the machinery or equipment listed in Paragraph **f.(2)** or **f.(3)** of the definition of "mobile equipment".

h. Mobile Equipment

"Bodily injury" or "property damage" arising out of:

- (1) The transportation of "mobile equipment" by an "auto" owned or operated by or rented or loaned to any insured; or
- (2) The use of "mobile equipment" in, or while in practice for, or while being prepared for, any prearranged racing, speed, demolition, or stunting activity.

i. War

"Bodily injury" or "property damage", however caused, arising, directly or indirectly, out of:

- (1) War, including undeclared or civil war;
- (2) Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
- (3) Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

j. Damage To Property

"Property damage" to:

- (1) Property you own, rent, or occupy, including any costs or expenses incurred by you, or any other person, organization or entity, for repair, replacement, enhancement, restoration or maintenance of such property for any reason, including prevention of injury to a person or damage to another's property;
- (2) Premises you sell, give away or abandon, if the "property damage" arises out of any part of those premises;
- (3) Property loaned to you;
- (4) Personal property in the care, custody or control of the insured;

- (5) That particular part of real property on which you or any contractors or subcontractors working directly or indirectly on your behalf are performing operations, if the "property damage" arises out of those operations; or
- (6) That particular part of any property that must be restored, repaired or replaced because "your work" was incorrectly performed on it.

Paragraphs (1), (3) and (4) of this exclusion do not apply to "property damage" (other than damage by fire) to premises, including the contents of such premises, rented to you for a period of 7 or fewer consecutive days. A separate limit of insurance applies to Damage To Premises Rented To You as described in Section III – Limits Of Insurance.

Paragraph (2) of this exclusion does not apply if the premises are "your work" and were never occupied, rented or held for rental by you.

Paragraphs (3), (4), (5) and (6) of this exclusion do not apply to liability assumed under a sidetrack agreement.

Paragraph (6) of this exclusion does not apply to "property damage" included in the "products-completed operations hazard".

k. Damage To Your Product

"Property damage" to "your product" arising out of it or any part of it.

l. Damage To Your Work

"Property damage" to "your work" arising out of it or any part of it and included in the "products-completed operations hazard".

This exclusion does not apply if the damaged work or the work out of which the damage arises was performed on your behalf by a subcontractor.

m. Damage To Impaired Property Or Property Not Physically Injured

"Property damage" to "impaired property" or property that has not been physically injured, arising out of:

- (1) A defect, deficiency, inadequacy or dangerous condition in "your product" or "your work"; or
- (2) A delay or failure by you or anyone acting on your behalf to perform a contract or agreement in accordance with its terms.

This exclusion does not apply to the loss of use of other property arising out of sudden and accidental physical injury to "your product" or "your work" after it has been put to its intended use.

n. Recall Of Products, Work Or Impaired Property

Damages claimed for any loss, cost or expense incurred by you or others for the loss of use, withdrawal, recall, inspection, repair, replacement, adjustment, removal or disposal of:

- (1) "Your product";
- (2) "Your work"; or
- (3) "Impaired property";

if such product, work, or property is withdrawn or recalled from the market or from use by any person or organization because of a known or suspected defect, deficiency, inadequacy or dangerous condition in it.

o. Personal And Advertising Injury

"Bodily injury" arising out of "personal and advertising injury".

p. Electronic Data

Damages arising out of the loss of, loss of use of, damage to, corruption of, inability to access, or inability to manipulate electronic data.

As used in this exclusion, electronic data means information, facts or programs stored as or on, created or used on, or transmitted to or from computer software, including systems and applications software, hard or floppy disks, CD-ROMS, tapes, drives, cells, data processing devices or any other media which are used with electronically controlled equipment.

q. Distribution Of Material In Violation Of Statutes

"Bodily injury" or "property damage" arising directly or indirectly out of any action or omission that violates or is alleged to violate:

- (1) The Telephone Consumer Protection Act (TCPA), including any amendment of or addition to such law; or
- (2) The CAN-SPAM Act of 2003, including any amendment of or addition to such law; or
- (3) Any statute, ordinance or regulation, other than the TCPA or CAN-SPAM Act of 2003, that prohibits or limits the sending, transmitting, communicating or distribution of material or information.

Exclusions c. through n. do not apply to damage by fire to premises while rented to you or temporarily occupied by you with permission of the owner. A separate limit of insurance applies to this coverage as described in Section III – Limits Of Insurance.

COVERAGE B PERSONAL AND ADVERTISING INJURY LIABILITY

1. Insuring Agreement

- a. We will pay those sums that the insured becomes legally obligated to pay as damages because of "personal and advertising injury" to which this insurance applies. We will have the right and duty to defend the insured against any "suit" seeking those damages. However, we will have no duty to defend the insured against any "suit" seeking damages for "personal and advertising injury" to which this insurance does not apply. We may, at our discretion, investigate any offense and settle any claim or "suit" that may result. But:

- (1) The amount we will pay for damages is limited as described in Section III – Limits Of Insurance; and
- (2) Our right and duty to defend end when we have used up the applicable limit of insurance in the payment of judgments or settlements under Coverages A or B or medical expenses under Coverage C.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under Supplementary Payments – Coverages A and B.

- b. This insurance applies to "personal and advertising injury" caused by an offense arising out of your business but only if the offense was committed in the "coverage territory" during the policy period.

2. Exclusions

This insurance does not apply to:

a. Knowing Violation Of Rights Of Another

"Personal and advertising injury" caused by or at the direction of the insured with the knowledge that the act would violate the rights of another and would inflict "personal and advertising injury".

b. Material Published With Knowledge Of Falsity

"Personal and advertising injury" arising out of oral or written publication of material, if done by or at the direction of the insured with knowledge of its falsity.

c. Material Published Prior To Policy Period

"Personal and advertising injury" arising out of oral or written publication of material whose first publication took place before the beginning of the policy period.

d. Criminal Acts

"Personal and advertising injury" arising out of a criminal act committed by or at the direction of the insured.

e. Contractual Liability

"Personal and advertising injury" for which the insured has assumed liability in a contract or agreement. This exclusion does not apply to liability for damages that the insured would have in the absence of the contract or agreement.

f. Breach Of Contract

"Personal and advertising injury" arising out of a breach of contract, except an implied contract to use another's advertising idea in your "advertisement".

g. Quality Or Performance Of Goods – Failure To Conform To Statements

"Personal and advertising injury" arising out of the failure of goods, products or services to conform with any statement of quality or performance made in your "advertisement".

h. Wrong Description Of Prices

"Personal and advertising injury" arising out of the wrong description of the price of goods, products or services stated in your "advertisement".

i. Infringement Of Copyright, Patent, Trademark Or Trade Secret

"Personal and advertising injury" arising out of the infringement of copyright, patent, trademark, trade secret or other intellectual property rights. Under this exclusion, such other intellectual property rights do not include the use of another's advertising idea in your "advertisement".

However, this exclusion does not apply to infringement, in your "advertisement", of copyright, trade dress or slogan.

j. Insureds In Media And Internet Type Businesses

"Personal and advertising injury" committed by an insured whose business is:

- (1) Advertising, broadcasting, publishing or telecasting;
- (2) Designing or determining content of web-sites for others; or
- (3) An Internet search, access, content or service provider.

However, this exclusion does not apply to Paragraphs **14.a., b. and c.** of "personal and advertising injury" under the Definitions Section.

For the purposes of this exclusion, the placing of frames, borders or links, or advertising, for you or others anywhere on the Internet, is not by itself, considered the business of advertising, broadcasting, publishing or telecasting.

k. Electronic Chatrooms Or Bulletin Boards

"Personal and advertising injury" arising out of an electronic chatroom or bulletin board the insured hosts, owns, or over which the insured exercises control.

l. Unauthorized Use Of Another's Name Or Product

"Personal and advertising injury" arising out of the unauthorized use of another's name or product in your e-mail address, domain name or metatag, or any other similar tactics to mislead another's potential customers.

m. Pollution

"Personal and advertising injury" arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants" at any time.

n. Pollution-Related

Any loss, cost or expense arising out of any:

- (1) Request, demand, order or statutory or regulatory requirement that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants"; or
- (2) Claim or suit by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of, "pollutants".

o. War

"Personal and advertising injury", however caused, arising, directly or indirectly, out of:

- (1) War, including undeclared or civil war;
- (2) Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
- (3) Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

p. Distribution Of Material In Violation Of Statutes

"Personal and advertising injury" arising directly or indirectly out of any action or omission that violates or is alleged to violate:

- (1) The Telephone Consumer Protection Act (TCPA), including any amendment of or addition to such law; or
- (2) The CAN-SPAM Act of 2003, including any amendment of or addition to such law; or
- (3) Any statute, ordinance or regulation, other than the TCPA or CAN-SPAM Act of 2003, that prohibits or limits the sending, transmitting, communicating or distribution of material or information.

COVERAGE C MEDICAL PAYMENTS

1. Insuring Agreement

- a. We will pay medical expenses as described below for "bodily injury" caused by an accident:

- (1) On premises you own or rent;
 - (2) On ways next to premises you own or rent; or
 - (3) Because of your operations;
- provided that:

- (a) The accident takes place in the "coverage territory" and during the policy period;
- (b) The expenses are incurred and reported to us within one year of the date of the accident; and
- (c) The injured person submits to examination, at our expense, by physicians of our choice as often as we reasonably require.

- b. We will make these payments regardless of fault. These payments will not exceed the applicable limit of insurance. We will pay reasonable expenses for:

- (1) First aid administered at the time of an accident;
- (2) Necessary medical, surgical, x-ray and dental services, including prosthetic devices; and
- (3) Necessary ambulance, hospital, professional nursing and funeral services.

2. Exclusions

We will not pay expenses for "bodily injury":

a. Any Insured

To any insured, except "volunteer workers".

b. Hired Person

To a person hired to do work for or on behalf of any insured or a tenant of any insured.

c. Injury On Normally Occupied Premises

To a person injured on that part of premises you own or rent that the person normally occupies.

d. Workers Compensation And Similar Laws

To a person, whether or not an "employee" of any insured, if benefits for the "bodily injury" are payable or must be provided under a workers' compensation or disability benefits law or a similar law.

e. Athletics Activities

To a person injured while practicing, instructing or participating in any physical exercises or games, sports, or athletic contests.

f. Products-Completed Operations Hazard

Included within the "products-completed operations hazard".

g. Coverage A Exclusions

Excluded under Coverage A.

SUPPLEMENTARY PAYMENTS – COVERAGES A AND B

1. We will pay, with respect to any claim we investigate or settle, or any "suit" against an insured we defend:
 - a. All expenses we incur.
 - b. Up to \$250 for cost of bail bonds required because of accidents or traffic law violations arising out of the use of any vehicle to which the Bodily Injury Liability Coverage applies. We do not have to furnish these bonds.
 - c. The cost of bonds to release attachments, but only for bond amounts within the applicable limit of insurance. We do not have to furnish these bonds.
 - d. All reasonable expenses incurred by the insured at our request to assist us in the investigation or defense of the claim or "suit", including actual loss of earnings up to \$250 a day because of time off from work.
 - e. All court costs taxed against the insured in the "suit". However, these payments do not include attorneys' fees or attorneys' expenses taxed against the insured.

- f. Prejudgment interest awarded against the insured on that part of the judgment we pay. If we make an offer to pay the applicable limit of insurance, we will not pay any prejudgment interest based on that period of time after the offer.
- g. All interest on the full amount of any judgment that accrues after entry of the judgment and before we have paid, offered to pay, or deposited in court the part of the judgment that is within the applicable limit of insurance.

These payments will not reduce the limits of insurance.

2. If we defend an insured against a "suit" and an indemnitee of the insured is also named as a party to the "suit", we will defend that indemnitee if all of the following conditions are met:
 - a. The "suit" against the indemnitee seeks damages for which the insured has assumed the liability of the indemnitee in a contract or agreement that is an "insured contract";
 - b. This insurance applies to such liability assumed by the insured;
 - c. The obligation to defend, or the cost of the defense of, that indemnitee, has also been assumed by the insured in the same "insured contract";
 - d. The allegations in the "suit" and the information we know about the "occurrence" are such that no conflict appears to exist between the interests of the insured and the interests of the indemnitee;
 - e. The indemnitee and the insured ask us to conduct and control the defense of that indemnitee against such "suit" and agree that we can assign the same counsel to defend the insured and the indemnitee; and
 - f. The indemnitee:
 - (1) Agrees in writing to:
 - (a) Cooperate with us in the investigation, settlement or defense of the "suit";
 - (b) Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the "suit";
 - (c) Notify any other insurer whose coverage is available to the indemnitee; and
 - (d) Cooperate with us with respect to coordinating other applicable insurance available to the indemnitee; and
 - (2) Provides us with written authorization to:
 - (a) Obtain records and other information related to the "suit"; and

- (b) Conduct and control the defense of the indemnitee in such "suit".

So long as the above conditions are met, attorneys' fees incurred by us in the defense of that indemnitee, necessary litigation expenses incurred by us and necessary litigation expenses incurred by the indemnitee at our request will be paid as Supplementary Payments.

Notwithstanding the provisions of Paragraph **2.b.(2)** of Section I – Coverage **A** – Bodily Injury And Property Damage Liability, such payments will not be deemed to be damages for "bodily injury" and "property damage" and will not reduce the limits of insurance.

Our obligation to defend an insured's indemnitee and to pay for attorneys' fees and necessary litigation expenses as Supplementary Payments ends when we have used up the applicable limit of insurance in the payment of judgments or settlements or the conditions set forth above, or the terms of the agreement described in Paragraph **f.** above, are no longer met.

SECTION II – WHO IS AN INSURED

1. If you are designated in the Declarations as:

- a.** An individual, you and your spouse are insureds, but only with respect to the conduct of a business of which you are the sole owner.
- b.** A partnership or joint venture, you are an insured. Your members, your partners, and their spouses are also insureds, but only with respect to the conduct of your business.
- c.** A limited liability company, you are an insured. Your members are also insureds, but only with respect to the conduct of your business. Your managers are insureds, but only with respect to their duties as your managers.
- d.** An organization other than a partnership, joint venture or limited liability company, you are an insured. Your "executive officers" and directors are insureds, but only with respect to their duties as your officers or directors. Your stockholders are also insureds, but only with respect to their liability as stockholders.
- e.** A trust, you are an insured. Your trustees are also insureds, but only with respect to their duties as trustees.

2. Each of the following is also an insured:

- a.** Your "volunteer workers" only while performing duties related to the conduct of your business, or your "employees", other than either your "executive officers" (if you are an organization other than a partnership, joint venture or limited liability company) or your managers (if you are a limited liability company), but only for acts within the scope of their employment by you or while performing duties related to the conduct of your business. However, none of these "employees" or "volunteer workers" are insureds for:

(1) "Bodily injury" or "personal and advertising injury":

- (a)** To you, to your partners or members (if you are a partnership or joint venture), to your members (if you are a limited liability company), to a co-"employee" while in the course of his or her employment or performing duties related to the conduct of your business, or to your other "volunteer workers" while performing duties related to the conduct of your business;
- (b)** To the spouse, child, parent, brother or sister of that co-"employee" or "volunteer worker" as a consequence of Paragraph **(1)(a)** above;
- (c)** For which there is any obligation to share damages with or repay someone else who must pay damages because of the injury described in Paragraphs **(1)(a)** or **(b)** above; or
- (d)** Arising out of his or her providing or failing to provide professional health care services.

(2) "Property damage" to property:

- (a)** Owned, occupied or used by,
- (b)** Rented to, in the care, custody or control of, or over which physical control is being exercised for any purpose by you, any of your "employees", "volunteer workers", any partner or member (if you are a partnership or joint venture), or any member (if you are a limited liability company).

- b. Any person (other than your "employee" or "volunteer worker"), or any organization while acting as your real estate manager.
 - c. Any person or organization having proper temporary custody of your property if you die, but only:
 - (1) With respect to liability arising out of the maintenance or use of that property; and
 - (2) Until your legal representative has been appointed.
 - d. Your legal representative if you die, but only with respect to duties as such. That representative will have all your rights and duties under this Coverage Part.
3. Any organization you newly acquire or form, other than a partnership, joint venture or limited liability company, and over which you maintain ownership or majority interest, will qualify as a Named Insured if there is no other similar insurance available to that organization. However:
- a. Coverage under this provision is afforded only until the 90th day after you acquire or form the organization or the end of the policy period, whichever is earlier;
 - b. Coverage **A** does not apply to "bodily injury" or "property damage" that occurred before you acquired or formed the organization; and
 - c. Coverage **B** does not apply to "personal and advertising injury" arising out of an offense committed before you acquired or formed the organization.

No person or organization is an insured with respect to the conduct of any current or past partnership, joint venture or limited liability company that is not shown as a Named Insured in the Declarations.

SECTION III – LIMITS OF INSURANCE

- 1. The Limits of Insurance shown in the Declarations and the rules below fix the most we will pay regardless of the number of:
 - a. Insureds;
 - b. Claims made or "suits" brought; or
 - c. Persons or organizations making claims or bringing "suits".
- 2. The General Aggregate Limit is the most we will pay for the sum of:
 - a. Medical expenses under Coverage **C**;
 - b. Damages under Coverage **A**, except damages because of "bodily injury" or "property damage" included in the "products-completed operations hazard"; and
 - c. Damages under Coverage **B**.

- 3. The Products-Completed Operations Aggregate Limit is the most we will pay under Coverage **A** for damages because of "bodily injury" and "property damage" included in the "products-completed operations hazard".
- 4. Subject to Paragraph 2. above, the Personal and Advertising Injury Limit is the most we will pay under Coverage **B** for the sum of all damages because of all "personal and advertising injury" sustained by any one person or organization.
- 5. Subject to Paragraph 2. or 3. above, whichever applies, the Each Occurrence Limit is the most we will pay for the sum of:
 - a. Damages under Coverage **A**; and
 - b. Medical expenses under Coverage **C** because of all "bodily injury" and "property damage" arising out of any one "occurrence".
- 6. Subject to Paragraph 5. above, the Damage To Premises Rented To You Limit is the most we will pay under Coverage **A** for damages because of "property damage" to any one premises, while rented to you, or in the case of damage by fire, while rented to you or temporarily occupied by you with permission of the owner.
- 7. Subject to Paragraph 5. above, the Medical Expense Limit is the most we will pay under Coverage **C** for all medical expenses because of "bodily injury" sustained by any one person.

The Limits of Insurance of this Coverage Part apply separately to each consecutive annual period and to any remaining period of less than 12 months, starting with the beginning of the policy period shown in the Declarations, unless the policy period is extended after issuance for an additional period of less than 12 months. In that case, the additional period will be deemed part of the last preceding period for purposes of determining the Limits of Insurance.

SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS

1. Bankruptcy

Bankruptcy or insolvency of the insured or of the insured's estate will not relieve us of our obligations under this Coverage Part.

2. Duties In The Event Of Occurrence, Offense, Claim Or Suit

- a. You must see to it that we are notified as soon as practicable of an "occurrence" or an offense which may result in a claim. To the extent possible, notice should include:
 - (1) How, when and where the "occurrence" or offense took place;
 - (2) The names and addresses of any injured persons and witnesses; and

- (3) The nature and location of any injury or damage arising out of the "occurrence" or offense.

b. If a claim is made or "suit" is brought against any insured, you must:

- (1) Immediately record the specifics of the claim or "suit" and the date received; and
- (2) Notify us as soon as practicable.

You must see to it that we receive written notice of the claim or "suit" as soon as practicable.

c. You and any other involved insured must:

- (1) Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the claim or "suit";
- (2) Authorize us to obtain records and other information;
- (3) Cooperate with us in the investigation or settlement of the claim or defense against the "suit"; and
- (4) Assist us, upon our request, in the enforcement of any right against any person or organization which may be liable to the insured because of injury or damage to which this insurance may also apply.

d. No insured will, except at that insured's own cost, voluntarily make a payment, assume any obligation, or incur any expense, other than for first aid, without our consent.

3. Legal Action Against Us

No person or organization has a right under this Coverage Part:

- a. To join us as a party or otherwise bring us into a "suit" asking for damages from an insured; or
- b. To sue us on this Coverage Part unless all of its terms have been fully complied with.

A person or organization may sue us to recover on an agreed settlement or on a final judgment against an insured; but we will not be liable for damages that are not payable under the terms of this Coverage Part or that are in excess of the applicable limit of insurance. An agreed settlement means a settlement and release of liability signed by us, the insured and the claimant or the claimant's legal representative.

4. Other Insurance

If other valid and collectible insurance is available to the insured for a loss we cover under Coverages **A** or **B** of this Coverage Part, our obligations are limited as follows:

a. Primary Insurance

This insurance is primary except when Paragraph **b.** below applies. If this insurance is primary, our obligations are not affected unless any of the other insurance is also primary. Then, we will share with all that other insurance by the method described in Paragraph **c.** below.

b. Excess Insurance

(1) This insurance is excess over:

- (a) Any of the other insurance, whether primary, excess, contingent or on any other basis:
 - (i) That is Fire, Extended Coverage, Builder's Risk, Installation Risk or similar coverage for "your work";
 - (ii) That is Fire insurance for premises rented to you or temporarily occupied by you with permission of the owner;
 - (iii) That is insurance purchased by you to cover your liability as a tenant for "property damage" to premises rented to you or temporarily occupied by you with permission of the owner; or
 - (iv) If the loss arises out of the maintenance or use of aircraft, "autos" or watercraft to the extent not subject to Exclusion **g.** of Section **I** – Coverage **A** – Bodily Injury And Property Damage Liability.
- (b) Any other primary insurance available to you covering liability for damages arising out of the premises or operations, or the products and completed operations, for which you have been added as an additional insured by attachment of an endorsement.

(2) When this insurance is excess, we will have no duty under Coverages **A** or **B** to defend the insured against any "suit" if any other insurer has a duty to defend the insured against that "suit". If no other insurer defends, we will undertake to do so, but we will be entitled to the insured's rights against all those other insurers.

(3) When this insurance is excess over other insurance, we will pay only our share of the amount of the loss, if any, that exceeds the sum of:

- (a) The total amount that all such other insurance would pay for the loss in the absence of this insurance; and
- (b) The total of all deductible and self-insured amounts under all that other insurance.

(4) We will share the remaining loss, if any, with any other insurance that is not described in this Excess Insurance provision and was not bought specifically to apply in excess of the Limits of Insurance shown in the Declarations of this Coverage Part.

c. Method Of Sharing

If all of the other insurance permits contribution by equal shares, we will follow this method also. Under this approach each insurer contributes equal amounts until it has paid its applicable limit of insurance or none of the loss remains, whichever comes first.

If any of the other insurance does not permit contribution by equal shares, we will contribute by limits. Under this method, each insurer's share is based on the ratio of its applicable limit of insurance to the total applicable limits of insurance of all insurers.

5. Premium Audit

- a. We will compute all premiums for this Coverage Part in accordance with our rules and rates.
- b. Premium shown in this Coverage Part as advance premium is a deposit premium only. At the close of each audit period we will compute the earned premium for that period and send notice to the first Named Insured. The due date for audit and retrospective premiums is the date shown as the due date on the bill. If the sum of the advance and audit premiums paid for the policy period is greater than the earned premium, we will return the excess to the first Named Insured.
- c. The first Named Insured must keep records of the information we need for premium computation, and send us copies at such times as we may request.

6. Representations

By accepting this policy, you agree:

- a. The statements in the Declarations are accurate and complete;
- b. Those statements are based upon representations you made to us; and

c. We have issued this policy in reliance upon your representations.

7. Separation Of Insureds

Except with respect to the Limits of Insurance, and any rights or duties specifically assigned in this Coverage Part to the first Named Insured, this insurance applies:

- a. As if each Named Insured were the only Named Insured; and
- b. Separately to each insured against whom claim is made or "suit" is brought.

8. Transfer Of Rights Of Recovery Against Others To Us

If the insured has rights to recover all or part of any payment we have made under this Coverage Part, those rights are transferred to us. The insured must do nothing after loss to impair them. At our request, the insured will bring "suit" or transfer those rights to us and help us enforce them.

9. When We Do Not Renew

If we decide not to renew this Coverage Part, we will mail or deliver to the first Named Insured shown in the Declarations written notice of the nonrenewal not less than 30 days before the expiration date.

If notice is mailed, proof of mailing will be sufficient proof of notice.

SECTION V – DEFINITIONS

1. "Advertisement" means a notice that is broadcast or published to the general public or specific market segments about your goods, products or services for the purpose of attracting customers or supporters. For the purposes of this definition:

- a. Notices that are published include material placed on the Internet or on similar electronic means of communication; and
- b. Regarding web-sites, only that part of a web-site that is about your goods, products or services for the purposes of attracting customers or supporters is considered an advertisement.

2. "Auto" means:

- a. A land motor vehicle, trailer or semitrailer designed for travel on public roads, including any attached machinery or equipment; or
- b. Any other land vehicle that is subject to a compulsory or financial responsibility law or other motor vehicle insurance law in the state where it is licensed or principally garaged.

However, "auto" does not include "mobile equipment".

3. "Bodily injury" means bodily injury, sickness or disease sustained by a person, including death resulting from any of these at any time.

4. "Coverage territory" means:

- a.** The United States of America (including its territories and possessions), Puerto Rico and Canada;
- b.** International waters or airspace, but only if the injury or damage occurs in the course of travel or transportation between any places included in Paragraph **a.** above; or
- c.** All other parts of the world if the injury or damage arises out of:
 - (1)** Goods or products made or sold by you in the territory described in Paragraph **a.** above;
 - (2)** The activities of a person whose home is in the territory described in Paragraph **a.** above, but is away for a short time on your business; or
 - (3)** "Personal and advertising injury" offenses that take place through the Internet or similar electronic means of communication

provided the insured's responsibility to pay damages is determined in a "suit" on the merits, in the territory described in Paragraph **a.** above or in a settlement we agree to.

- 5.** "Employee" includes a "leased worker". "Employee" does not include a "temporary worker".
- 6.** "Executive officer" means a person holding any of the officer positions created by your charter, constitution, by-laws or any other similar governing document.
- 7.** "Hostile fire" means one which becomes uncontrollable or breaks out from where it was intended to be.
- 8.** "Impaired property" means tangible property, other than "your product" or "your work", that cannot be used or is less useful because:
 - a.** It incorporates "your product" or "your work" that is known or thought to be defective, deficient, inadequate or dangerous; or
 - b.** You have failed to fulfill the terms of a contract or agreement;

if such property can be restored to use by the repair, replacement, adjustment or removal of "your product" or "your work" or your fulfilling the terms of the contract or agreement.

9. "Insured contract" means:

- a.** A contract for a lease of premises. However, that portion of the contract for a lease of premises that indemnifies any person or organization for damage by fire to premises while rented to you or temporarily occupied by you with permission of the owner is not an "insured contract";
- b.** A sidetrack agreement;
- c.** Any easement or license agreement, except in connection with construction or demolition operations on or within 50 feet of a railroad;
- d.** An obligation, as required by ordinance, to indemnify a municipality, except in connection with work for a municipality;
- e.** An elevator maintenance agreement;
- f.** That part of any other contract or agreement pertaining to your business (including an indemnification of a municipality in connection with work performed for a municipality) under which you assume the tort liability of another party to pay for "bodily injury" or "property damage" to a third person or organization. Tort liability means a liability that would be imposed by law in the absence of any contract or agreement.

Paragraph **f.** does not include that part of any contract or agreement:

- (1)** That indemnifies a railroad for "bodily injury" or "property damage" arising out of construction or demolition operations, within 50 feet of any railroad property and affecting any railroad bridge or trestle, tracks, road-beds, tunnel, underpass or crossing;
- (2)** That indemnifies an architect, engineer or surveyor for injury or damage arising out of:
 - (a)** Preparing, approving, or failing to prepare or approve, maps, shop drawings, opinions, reports, surveys, field orders, change orders or drawings and specifications; or
 - (b)** Giving directions or instructions, or failing to give them, if that is the primary cause of the injury or damage; or
- (3)** Under which the insured, if an architect, engineer or surveyor, assumes liability for an injury or damage arising out of the insured's rendering or failure to render professional services, including those listed in **(2)** above and supervisory, inspection, architectural or engineering activities.

- 10.** "Leased worker" means a person leased to you by a labor leasing firm under an agreement between you and the labor leasing firm, to perform duties related to the conduct of your business. "Leased worker" does not include a "temporary worker".

11. "Loading or unloading" means the handling of property:

- a. After it is moved from the place where it is accepted for movement into or onto an aircraft, watercraft or "auto";
- b. While it is in or on an aircraft, watercraft or "auto"; or
- c. While it is being moved from an aircraft, watercraft or "auto" to the place where it is finally delivered;

but "loading or unloading" does not include the movement of property by means of a mechanical device, other than a hand truck, that is not attached to the aircraft, watercraft or "auto".

12. "Mobile equipment" means any of the following types of land vehicles, including any attached machinery or equipment:

- a. Bulldozers, farm machinery, forklifts and other vehicles designed for use principally off public roads;
- b. Vehicles maintained for use solely on or next to premises you own or rent;
- c. Vehicles that travel on crawler treads;
- d. Vehicles, whether self-propelled or not, maintained primarily to provide mobility to permanently mounted:

- (1) Power cranes, shovels, loaders, diggers or drills; or
- (2) Road construction or resurfacing equipment such as graders, scrapers or rollers;

- e. Vehicles not described in Paragraph a., b., c. or d. above that are not self-propelled and are maintained primarily to provide mobility to permanently attached equipment of the following types:

- (1) Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment; or
- (2) Cherry pickers and similar devices used to raise or lower workers;

- f. Vehicles not described in Paragraph a., b., c. or d. above maintained primarily for purposes other than the transportation of persons or cargo.

However, self-propelled vehicles with the following types of permanently attached equipment are not "mobile equipment" but will be considered "autos":

(1) Equipment designed primarily for:

- (a) Snow removal;
- (b) Road maintenance, but not construction or resurfacing; or
- (c) Street cleaning;

(2) Cherry pickers and similar devices mounted on automobile or truck chassis and used to raise or lower workers; and

(3) Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment.

However, "mobile equipment" does not include any land vehicles that are subject to a compulsory or financial responsibility law or other motor vehicle insurance law in the state where it is licensed or principally garaged. Land vehicles subject to a compulsory or financial responsibility law or other motor vehicle insurance law are considered "autos".

13. "Occurrence" means an accident, including continuous or repeated exposure to substantially the same general harmful conditions.

14. "Personal and advertising injury" means injury, including consequential "bodily injury", arising out of one or more of the following offenses:

- a. False arrest, detention or imprisonment;
- b. Malicious prosecution;
- c. The wrongful eviction from, wrongful entry into, or invasion of the right of private occupancy of a room, dwelling or premises that a person occupies, committed by or on behalf of its owner, landlord or lessor;
- d. Oral or written publication, in any manner, of material that slanders or libels a person or organization or disparages a person's or organization's goods, products or services;
- e. Oral or written publication, in any manner, of material that violates a person's right of privacy;
- f. The use of another's advertising idea in your "advertisement"; or
- g. Infringing upon another's copyright, trade dress or slogan in your "advertisement".

15. "Pollutants" mean any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.

16. "Products-completed operations hazard":

a. Includes all "bodily injury" and "property damage" occurring away from premises you own or rent and arising out of "your product" or "your work" except:

- (1) Products that are still in your physical possession; or
- (2) Work that has not yet been completed or abandoned. However, "your work" will be deemed completed at the earliest of the following times:
 - (a) When all of the work called for in your contract has been completed.
 - (b) When all of the work to be done at the job site has been completed if your contract calls for work at more than one job site.
 - (c) When that part of the work done at a job site has been put to its intended use by any person or organization other than another contractor or subcontractor working on the same project.

Work that may need service, maintenance, correction, repair or replacement, but which is otherwise complete, will be treated as completed.

b. Does not include "bodily injury" or "property damage" arising out of:

- (1) The transportation of property, unless the injury or damage arises out of a condition in or on a vehicle not owned or operated by you, and that condition was created by the "loading or unloading" of that vehicle by any insured;
- (2) The existence of tools, uninstalled equipment or abandoned or unused materials; or
- (3) Products or operations for which the classification, listed in the Declarations or in a policy schedule, states that products-completed operations are subject to the General Aggregate Limit.

17. "Property damage" means:

- a. Physical injury to tangible property, including all resulting loss of use of that property. All such loss of use shall be deemed to occur at the time of the physical injury that caused it; or
- b. Loss of use of tangible property that is not physically injured. All such loss of use shall be deemed to occur at the time of the "occurrence" that caused it.

For the purposes of this insurance, electronic data is not tangible property.

As used in this definition, electronic data means information, facts or programs stored as or on, created or used on, or transmitted to or from computer software, including systems and applications software, hard or floppy disks, CD-ROMS, tapes, drives, cells, data processing devices or any other media which are used with electronically controlled equipment.

18. "Suit" means a civil proceeding in which damages because of "bodily injury", "property damage" or "personal and advertising injury" to which this insurance applies are alleged. "Suit" includes:

- a. An arbitration proceeding in which such damages are claimed and to which the insured must submit or does submit with our consent; or
- b. Any other alternative dispute resolution proceeding in which such damages are claimed and to which the insured submits with our consent.

19. "Temporary worker" means a person who is furnished to you to substitute for a permanent "employee" on leave or to meet seasonal or short-term workload conditions.

20. "Volunteer worker" means a person who is not your "employee", and who donates his or her work and acts at the direction of and within the scope of duties determined by you, and is not paid a fee, salary or other compensation by you or anyone else for their work performed for you.

21. "Your product":

a. Means:

- (1) Any goods or products, other than real property, manufactured, sold, handled, distributed or disposed of by:
 - (a) You;
 - (b) Others trading under your name; or
 - (c) A person or organization whose business or assets you have acquired; and
- (2) Containers (other than vehicles), materials, parts or equipment furnished in connection with such goods or products.

b. Includes:

- (1) Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of "your product"; and
- (2) The providing of or failure to provide warnings or instructions.

c. Does not include vending machines or other property rented to or located for the use of others but not sold.

22. "Your work":

a. Means:

- (1)** Work or operations performed by you or on your behalf; and
- (2)** Materials, parts or equipment furnished in connection with such work or operations.

b. Includes:

- (1)** Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of "your work", and
- (2)** The providing of or failure to provide warnings or instructions.

Policy Number: VGGP001915
Insured Name: CONSTRUCTION ENTERPRISES,
INC.
Number: 1

VE 67 09 03 14

Effective Date: 02/16/2016

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CLAIMS REPORTING

This endorsement modifies insurance provided under the following:

Commercial General Liability Coverage Part

It is agreed that Section IV – Commercial General Liability Conditions, 2. Duties in the Event of an Occurrence, Offense, Claim or Suit are amended to include 2.e. as follows:

In the event of any occurrence that may result in a claim against this policy, the insured should immediately report such occurrence to:

Vela Insurance Services, a W. R. Berkley Company
Claim Department
11516 Nicholas Street, Suite 301
Omaha, NE 68154
TELEPHONE: (866) 915-7478 or (402) 492-8352
FAX NO.: (402) 492-3283
EMAIL: claims@vela-ins.com

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

NUCLEAR ENERGY LIABILITY EXCLUSION ENDORSEMENT

This endorsement modifies insurance provided under the following:

Commercial General Liability Coverage Part

1. The insurance does not apply:

A. Under any Liability Coverage, to "bodily injury" or "property damage":

- (1)** With respect to which an "insured" under the policy is also an insured under a nuclear energy liability policy issued by Nuclear Energy Liability Insurance Association, Mutual Atomic Energy Liability Underwriters, Nuclear Insurance Association of Canada or any of their successors, or would be an insured under any such policy but for its termination upon exhaustion of its limit of liability; or
- (2)** Resulting from the "hazardous properties" of "nuclear material" and with respect to which **(a)** any person or organization is required to maintain financial protection pursuant to the Atomic Energy Act of 1954, or any law amendatory thereof, or **(b)** the "insured" is, or had this policy not been issued would be, entitled to indemnity from the United States of America, or any agency thereof, under any agreement entered into by the United States of America, or any agency thereof, with any person or organization.

B. Under any Medical Payments coverage, to expenses incurred with respect to "bodily injury" resulting from the "hazardous properties" of "nuclear material" and arising out of the operation of a "nuclear facility" by any person or organization.

C. Under any Liability Coverage, to "bodily injury" or "property damage" resulting from "hazardous properties" of "nuclear material", if:

- (1)** The "nuclear material" **(a)** is at any "nuclear facility" owned by, or operated by or on behalf of, an "insured" or **(b)** has been discharged or dispersed therefrom;
- (2)** The "nuclear material" is contained in "spent fuel" or "waste" at any time possessed, handled, used, processed, stored, transported or disposed of, by or on behalf of an "insured"; or
- (3)** The "bodily injury" or "property damage" arises out of the furnishing by an "insured" of services, materials, parts or equipment in connection with the planning, construction, maintenance, operation or use of any "nuclear facility", but if such facility is located within the United States of America, its territories or possessions or Canada, this exclusion **(3)** applies only to "property damage" to such "nuclear facility" and any property thereat.

2. As used in this endorsement:

"Hazardous properties" includes radioactive, toxic or explosive properties.

"Nuclear material" means "source material", "special nuclear material" or "by-product material".

"Source material", "special nuclear material", and "by-product material" have the meanings given them in the Atomic Energy Act of 1954 or in any law amendatory thereof.

"Spent fuel" means any fuel element or fuel component, solid or liquid, which has been used or exposed to radiation in a "nuclear reactor".

"Waste" means any waste material **(a)** containing "by-product material" other than the tailings or wastes produced by the extraction or concentration of uranium or thorium from any ore processed primarily for its "source material" content, and **(b)** resulting from the operation by any person or organization of any "nuclear facility" included under the first two paragraphs of the definition of "nuclear facility".

"Nuclear facility" means:

- (a)** Any "nuclear reactor";
- (b)** Any equipment or device designed or used for **(1)** separating the isotopes of uranium or plutonium, **(2)** processing or utilizing "spent fuel", or **(3)** handling, processing or packaging "waste";
- c)** Any equipment or device used for the processing, fabricating or alloying of "special nuclear material" if at any time the total amount of such material in the custody of the "insured" at the premises where such equipment or device is located consists of or contains more than 25 grams of plutonium or uranium 233 or any combination thereof, or more than 250 grams of uranium 235;
- (d)** Any structure, basin, excavation, premises or place prepared or used for the storage or disposal of "waste"; and includes the site on which any of the foregoing is located, all operations conducted on such site and all premises used for such operations.

"Nuclear reactor" means any apparatus designed or used to sustain nuclear fission in a self-supporting chain reaction or to contain a critical mass of fissionable material.

"Property damage" includes all forms of radioactive contamination of property.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

LEAD EXCLUSION

This endorsement modifies insurance provided under the following:

Commercial General Liability Coverage Part

The following exclusion is added to Paragraph 2. **Exclusions** of both **Section I – Coverage A – Bodily Injury And Property Damage Liability** and **Section I – Coverage B – Personal And Advertising Injury Liability**:

2. Exclusions

This insurance does not apply to:

Lead

- a. “Bodily injury”, “property damage”, or “personal and advertising injury” arising out of, resulting from, caused by, contributed to, or related to any actual, alleged, threatened, or suspected discharge, dispersal, seepage, migration, release, existence of, exposure to, ingestion of, contact with lead, whether or not the lead is or was at any time airborne as a particle, contained in a product, carried on clothing, inhaled, transmitted in any fashion or found in any form whatsoever.
- b. Any loss, cost, or expense, including, but not limited to, payment for investigation, defense, judgment, settlement, demand, fines, penalties, and other costs or expenses arising out of or related to any abating, testing for, detecting, monitoring, cleaning up, removing, containing, treating, detoxifying, neutralizing, enclosing, remediating, complying, mitigating, disposing of, or in any way responding to or assessing lead substances, the effects of lead, or the taking of action to temporarily or permanently prevent, minimize, or mitigate damage to the public health or welfare or to the environment or to meet or attempt to meet any statutory or regulatory requirement or standard.

This exclusion applies regardless of whether any other factor contributed concurrently or in any sequence to any loss, damage, injury, or expense.

This exclusion includes:

- a. Any supervision, instructions, recommendations, warnings, or advice given or which should have been given in connection with the above; and
- b. Any obligation to share damages with or repay someone else who must pay damages.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ASBESTOS EXCLUSION

This endorsement modifies insurance provided under the following:

Commercial General Liability Coverage Part

The following exclusion is added to Paragraph 2. **Exclusions** of both **Section I – Coverage A – Bodily Injury And Property Damage Liability** and **Section I – Coverage B – Personal And Advertising Injury Liability**:

2. Exclusions

This insurance does not apply to:

Asbestos

- a. “Bodily injury,” “property damage,” or “personal and advertising injury” arising out of, resulting from, caused by, attributed to, or related to any actual, alleged, threatened, or suspected discharge, dispersal, release, leakage, leaching, friability, flaking, escape, inhalation of, ingestion of, contact with, exposure to, existence of, or presence of asbestos, whether or not the asbestos is or was at any time airborne as a particle, contained in a product, carried on clothing, inhaled, transmitted in any fashion or found in any form whatsoever.
- b. Any loss, cost, or expense, including, but not limited to, payment for investigation, defense, judgment, settlement, demand, fines, penalties, and other costs or expenses arising out of or related to any abating, testing for, detecting, monitoring, cleaning up, removing, containing, treating, detoxifying, neutralizing, enclosing, remediating, complying, mitigating, disposing of, or in any way responding to or assessing asbestos, the effects of asbestos, or the taking of action to temporarily or permanently prevent, minimize, or mitigate damage to the public health or welfare or to the environment or to meet or attempt to meet any statutory or regulatory requirement or standard.

This exclusion applies regardless of whether any other factor contributed concurrently or in any sequence to any loss, damage, injury, or expense.

This exclusion includes:

- a. Any supervision, instructions, recommendations, warnings, or advice given or which should have been given in connection with the above; and
- b. Any obligation to share damages with or repay someone else who must pay damages.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**DEDUCTIBLE LIABILITY INSURANCE – PER
OCCURRENCE OR OFFENSE
APPLICABLE TO INDEMNITY AND EXPENSES**

This endorsement modifies insurance provided under the following:

Commercial General Liability Coverage Part

SCHEDULE	
Coverage	Amount per Occurrence or Offense
Bodily Injury Liability OR	\$ N/A
Property Damage Liability OR	\$ N/A
Personal & Advertising Injury Liability OR	\$ N/A
Bodily Injury Liability; Property Damage Liability and/or Personal and Advertising Injury Liability Combined	\$ \$10,000

APPLICATION OF ENDORSEMENT (Enter below any limitations on the application of this endorsement. If no limitation is entered, the deductibles apply to damages for all "bodily injury", "property damage" and/or "personal and advertising injury" however caused, and to payments made under the Supplementary Payments provisions of this policy including but not limited to all expenses we incur to investigate or settle a claim or defend a "suit"):

Limitations on application of this endorsement:
NONE

- A. Our obligation under the Bodily Injury Liability, Property Damage Liability or Personal and Advertising Injury Liability Coverages to pay damages on your behalf, and to pay associated defense costs, expenses and other payments specified under Supplementary Payments, including but not limited to the expenses we incur to investigate or settle a claim or defend a suit, applies only to the amount of damages and associated Supplementary Payments in excess of any deductible amount stated in the Schedule above.

- B. The deductible amount shall include all associated defense costs, investigation expenses, and other payments specified under Supplementary Payments whether or not indemnity or loss payment is made.
- C. The deductible is on per occurrence basis and applies as follows:
1. Under Bodily Injury Liability Coverage, to all damages because of "bodily injury";
 2. Under Property Damage Liability Coverage, to all damages because of "property damage";
 3. Under Personal and Advertising Injury Liability Coverage, to all damages because of "personal and advertising injury"; or
 4. Under Bodily Injury Liability, Property Damage Liability and/or Personal and Advertising Injury Liability Coverages Combined, to all damages because of:
 - a. "Bodily injury";
 - b. "Property damage";
 - c. "Personal and advertising injury"; or
 - d. "Bodily injury", "property damage" and "personal and advertising injury" combined as the result of any one "occurrence" or offense regardless of the number of persons or organizations who sustain damages because of that "occurrence" or offense.
- D. The terms of this insurance, including those with respect to:
1. Our right and duty to defend an insured against any "suits" seeking those damages; and
 2. An insured's duties in the event of an "occurrence", offense, claim, or "suit"
- apply irrespective of the application of the deductible amount.
- E. We may pay any part, or all, of the deductible amount to effect settlement of any claim or "suit" and, upon notification of the action taken you shall promptly reimburse us for such part of the deductible amount as has been paid by us.
- F. If you do not promptly reimburse us for any deductible amount owed, then any cost incurred by us in the collection of the deductible amount will be added and applied in addition to the applicable deductible amount without any limitation. These costs include, but are not limited to, collection agency fees, attorney's fees and interest.

Policy: VGGP001915
Insured Name: CONSTRUCTION ENTERPRISES, INC.
Number: 6

VE 0562 01 12
Effective Date: 02/16/2016

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

SPECIFIED OPERATIONS EXCLUSION – NEW YORK

This endorsement modifies insurance provided under the following:

Commercial General Liability Coverage Part

This insurance does not apply to any "bodily injury", "property damage" or "personal and advertising injury" arising out of any work or operations performed by you or on your behalf in the State of New York.

Policy Number: VGGP001915
Insured Name: CONSTRUCTION ENTERPRISES, INC.
Number: 7

CG 21 35 10 01

Effective Date: 02/16/2016

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION – COVERAGE C – MEDICAL PAYMENTS

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

SCHEDULE

Description And Location Of Premises Or Classification:

All locations and all classifications

(If no entry appears above, information required to complete this endorsement will be shown in the Declarations as applicable to this endorsement.)

With respect to any premises or classification shown in the Schedule:

- 1.** Section **I – Coverage C – Medical Payments** does not apply and none of the references to it in the Coverage Part apply:
and

- 2.** The following is added to Section **I – Supplementary Payments**:

- h.** Expenses incurred by the insured for first aid administered to others at the time of an accident for "bodily injury" to which this insurance applies.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

TAINTED DRYWALL MATERIAL EXCLUSION

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART
OWNERS AND CONTRACTORS PROTECTIVE LIABILITY COVERAGE PART
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART
RAILROAD PROTECTIVE LIABILITY COVERAGE PART

This insurance does not apply to:

1. Any liability, loss, injury or damages of any kind, including but not limited to "bodily injury," "property damage", "personal and advertising injury", "reduction in value", costs or expenses, actually or allegedly arising out of, related to, resulting from, caused by, contributed to, or in any other way connected with the actual or alleged manufacture, creation, distribution, sale, resale, rebranding, installation, repair, removal, encapsulation, release, abatement, replacement or handling of, exposure to, ingestion of, testing for or failure to test for, or failure to warn, advise of or disclose the presence of "tainted drywall material," whether or not the "tainted drywall material" is or was at any time and in any form airborne, contained in a product or a component part of a product, carried on clothing or other items, inhaled, ingested, absorbed, transmitted in any fashion or found in any form whatsoever.
2. Any liability, loss, cost or expense including, but not limited to, payment for investigation or defense, fines, penalties, interest and other costs or expenses, arising out of or related to any:
 - a) Clean up or removal of "tainted drywall material" or products and materials containing "tainted drywall material";
 - b) Actions necessary to monitor, assess or evaluate the actual, alleged or threatened release of "tainted drywall material" or products and material containing "tainted drywall material";
 - c) Disposal of actual or alleged "tainted drywall material" or the taking of action necessary to prevent, minimize or mitigate damage to the public health or welfare or to the environment, which may otherwise result;
 - d) Compliance with any law or regulation regarding "tainted drywall material";
 - e) Existence, storage, handling or transportation of "tainted drywall material"; or
 - f) Supervision, instructions, recommendations, warranties (express or implied), warnings or advice given or which should have been given with respect to "tainted drywall material".
3. Any obligation to share damages with or repay someone else in connection with Paragraphs 1. or 2. of this exclusion.

As used in this exclusion:

1. "Tainted drywall material" means any:
 - a) Drywall, plasterboard, sheetrock or gypsum board; or
 - b) Material used in the manufacture of drywall, plasterboard, sheetrock or gypsum board;which:
 - a) Produces sulfuric odors, sulfuric gas, and or sulfuric acid;
 - b) Causes or contributes to the corrosion or oxidation of metal, including but not limited to metal in pipes, wiring, heating, ventilation and air conditioning systems; or
 - c) Contains synthetic gypsum, fly ash or any other material derived from coalfired power plants, or arsenic or any radioactive compounds.

2. "Reduction in value" means actual or alleged diminution in value, impairment, devaluation or loss of use of tangible property, whether or not physically injured.

It is further agreed we shall have no duty to investigate, defend or indemnify any insured against any loss, claim, "suit," demand, fine or other proceeding alleging injury or damages of any kind, to include but not limited to "bodily injury," "property damage," "personal and advertising injury", "reduction in value" or cost or expense to which this endorsement applies.

Policy Number: VGGP001915
Insured Name: CONSTRUCTION ENTERPRISES, INC.
Number: 9

CG 24 17 10 01

Effective Date: 02/16/2016

CONTRACTUAL LIABILITY – RAILROADS

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

SCHEDULE

Scheduled Railroad:	Designated Job Site:

(If no entry appears above, information required to complete this endorsement will be shown in the Declarations as applicable to this endorsement.)

With respect to operations performed for, or affecting, a Scheduled Railroad at a Designated Job Site, the definition of "insured contract" in the Definitions section is replaced by the following:

9. "Insured Contract" means:

- a.** A contract for a lease of premises. However, that portion of the contract for a lease of premises that indemnifies any person or organization for damage by fire to premises while rented to you or temporarily occupied by you with permission of the owner is not an "insured contract";
- b.** A sidetrack agreement;
- c.** Any easement or license agreement;
- d.** An obligation, as required by ordinance, to indemnify a municipality, except in connection with work for a municipality;
- e.** An elevator maintenance agreement;
- f.** That part of any other contract or agreement pertaining to your business (including an indemnification of a municipality in connection with work performed for a municipality) under which you assume the tort liability of another party to pay for "bodily injury" or "property damage" to a third person or organization. Tort liability means a liability that would be imposed by law in the absence of any contract or agreement.

Paragraph **f.** does not include that part of any contract or agreement:

- (1)** That indemnifies an architect, engineer or surveyor for injury or damage arising out of:
 - (a)** Preparing, approving or failing to prepare or approve maps, shop drawings, opinions, reports, surveys, field orders, change orders or drawings and specifications; or
 - (b)** Giving directions or instructions, or failing to give them, if that is the primary cause of the injury or damage;
- (2)** Under which the insured, if an architect, engineer or surveyor, assumes liability for an injury or damage arising out of the insured's rendering or failure to render professional services, including those listed in Paragraph **(1)** above and supervisory, inspection, architectural or engineering activities.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**TOTAL POLLUTION EXCLUSION WITH A BUILDING
HEATING, COOLING AND DEHUMIDIFYING EQUIPMENT
EXCEPTION AND A HOSTILE FIRE EXCEPTION**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

Exclusion **f.** under Paragraph **2. Exclusions** of **Section I – Coverage A – Bodily Injury And Property Damage Liability** is replaced by the following:

This insurance does not apply to:

f. Pollution

- (1) "Bodily injury" or "property damage" which would not have occurred in whole or part but for the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants" at any time.

This exclusion does not apply to:

- (a) "Bodily injury" if sustained within a building which is or was at any time owned or occupied by, or rented or loaned to, any insured and caused by smoke, fumes, vapor or soot produced by or originating from equipment that is used to heat, cool or dehumidify the building, or equipment that is used to heat water for personal use, by the building's occupants or their guests; or
- (b) "Bodily injury" or "property damage" arising out of heat, smoke or fumes from a "hostile fire" unless that "hostile fire" occurred or originated:
- (i) At any premises, site or location which is or was at any time used by or for any insured or others for the handling, storage, disposal, processing or treatment of waste; or

- (ii) At any premises, site or location on which any insured or any contractors or subcontractors working directly or indirectly on any insured's behalf are performing operations to test for, monitor, clean up, remove, contain, treat, detoxify, neutralize or in any way respond to, or assess the effects of, "pollutants".

- (2) Any loss, cost or expense arising out of any:

- (a) Request, demand, order or statutory or regulatory requirement that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants"; or
- (b) Claim or suit by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of, "pollutants".

Policy Number: VGGP001915
Insured Name: CONSTRUCTION ENTERPRISES,
INC.
Number: 11

VE 0539 02 11

Effective Date: 02/16/2016

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

KNOWLEDGE OF OCCURRENCE

This endorsement modifies insurance provided under the following:

Commercial General Liability Coverage Part

It is agreed that knowledge of an occurrence by the agent, servant or employee of yours shall not in itself constitute knowledge by you, unless an executive officer of your corporation shall have received such notice from its agent, servant or employee.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

RESIDENTIAL CONSTRUCTION OPERATIONS EXCLUSION WITH EXCEPTION FOR LISTED PROJECT(S)

This endorsement modifies insurance provided under the following:

Commercial General Liability Coverage Part

**COMMERCIAL GENERAL LIABILITY THIS ENDORSEMENT CHANGES THE POLICY. PLEASE
READ IT CAREFULLY.**

RESIDENTIAL CONSTRUCTION OPERATIONS EXCLUSION WITH EXCEPTION FOR LISTED PROJECT(S)

This endorsement modifies insurance provided under the following: COMMERCIAL GENERAL LIABILITY COVERAGE PARTThe following exclusion is added to Paragraph 2., **Exclusions of Section I - Coverage A - Bodily Injury And Property Damage Liability** and Paragraph 2., **Exclusions of Section I - Coverage B - Personal And Advertising Injury Liability:**

This insurance does not apply to:

Residential Construction Operations Any liability arising out of "residential construction operations". This exclusion applies whether or not the "residential construction operations" have been completed or are ongoing.

However, this exclusion does not apply to the following project(s):

Baldwin Rowe Townhome in Lynn Haven, FL
Project Bid \$14,507,691- started in 2006 & completed in 2007
New construction/110 units averaging 1550 s.f. per unit plus garage/16 buildings/174,070 s.f. A/C area

It is understood that to the extent any coverage may otherwise be provided under this policy or any of its endorsements, the provisions of this exclusion will supersede.

For the purpose of this endorsement. the following definition is added to **Section V - Definitions:**

"Residential construction operations" means any activity by or on behalf of any insured, in any capacity, regarding, related to, or in support of, any construction of detached single family houses, attached single family houses, residential condominiums or residential cooperative.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

BROAD FORM NAMED INSURED

This endorsement modifies insurance provided under the following:

Commercial General Liability Coverage Part

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

BROAD NAMED INSURED ENDORSEMENT

This endorsement modifies insurance provided under the following:

Commercial General Liability Coverage Part

SECTION II - WHO IS AN INSURED is amended to include the following:

It is agreed that throughout this policy the words "you" and "your" refer to the Named Insured in the Declarations and any business entity incorporated or organized under the laws of the United States of America, its territories or possessions, in which the Named Insured shown in the Declarations owns, during the policy period, an interest of more than 50%.

If other valid and collectible insurance is available to any business entity covered by this policy solely by reason of ownership by the Named Insured shown in the Declarations in excess of 50%, this insurance is excess over the other insurance, whether primary, excess, contingent, or any other basis.

This policy provides no coverage for liability of an Insured arising from the conduct of a partnership or joint venture that is not scheduled in the policy as a Named Insured.

All other terms and conditions of the policy remain unchanged

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

LIMITED CONDO CONVERSION EXCLUSION

This endorsement modifies insurance provided under the following:

Commercial General Liability Coverage Part

This insurance does not apply to any “bodily injury”, “property damage” or “personal and advertising injury” arising out of, resulting from, or occurring to any type of building, development or project that is being converted or has been converted to a “residential condominium project”.

However, this exclusion will not apply to a Named Insured in the Declarations if:

1. At the time of performance, the insured’s work is not work on a “residential condominium project”;

AND

2. At the time of performance, the insured lacks any knowledge that their work is going to be converted or incorporated into a “residential condominium project”;

AND

3. Any conversion or incorporation of the insured’s work into a “residential condominium project” takes place after the entire building, development or project is included in the “products-completed operations hazard”;

AND

4. Any conversion or incorporation of the insured’s work into a “residential condominium project” takes place without the consent of the insured.

DEFINITIONS:

“Residential condominium project” means any form of residential building with multiple dwelling units intended for individual ownership, including any commercial space, and all appurtenant structures, improvements and common areas.

All other terms and conditions of this Policy remain unchanged.



THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

FELLOW EMPLOYEE COVERAGE

This endorsement modifies insurance provided under the following:

Commercial General Liability Coverage Part

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the:

Commercial General Liability Coverage Part

1. It is agreed that paragraph 2. a. (1) of **SECTION II - WHO IS AN INSURED** is deleted and replaced by the following:

(1) "Bodily Injury" or "Personal and Advertising Injury" :

(a) To you, to your partners or members (if you are a partnership or joint venture), to your members (if you are a limited liability company) ;

(b) For which there is any obligation to share damages with or repay someone else who must pay damages because of the injury described in Paragraph (1) (a) above; or

(c) Arising out of his or her providing or failing to provide professional health care services

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

SILICA OR SILICA-RELATED DUST EXCLUSION

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

A. The following exclusion is added to Paragraph 2., Exclusions of Section I – Coverage A – Bodily Injury And Property Damage Liability:

2. Exclusions

This insurance does not apply to:

Silica Or Silica-Related Dust

- a. "Bodily injury" arising, in whole or in part, out of the actual, alleged, threatened or suspected inhalation of, or ingestion of, "silica" or "silica-related dust".
- b. "Property damage" arising, in whole or in part, out of the actual, alleged, threatened or suspected contact with, exposure to, existence of, or presence of, "silica" or "silica-related dust".
- c. Any loss, cost or expense arising, in whole or in part, out of the abating, testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, neutralizing, remediating or disposing of, or in any way responding to or assessing the effects of, "silica" or "silica-related dust", by any insured or by any other person or entity.

B. The following exclusion is added to Paragraph 2., Exclusions of Section I – Coverage B – Personal And Advertising Injury Liability:

2. Exclusions

This insurance does not apply to:

Silica Or Silica-Related Dust

- a. "Personal and advertising injury" arising, in whole or in part, out of the actual, alleged, threatened or suspected inhalation of, ingestion of, contact with, exposure to, existence of, or presence of, "silica" or "silica-related dust".
- b. Any loss, cost or expense arising, in whole or in part, out of the abating, testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, neutralizing, remediating or disposing of, or in any way responding to or assessing the effects of, "silica" or "silica-related dust", by any insured or by any other person or entity.

C. The following definitions are added to the Definitions Section:

1. "Silica" means silicon dioxide (occurring in crystalline, amorphous and impure forms), silica particles, silica dust or silica compounds.
2. "Silica-related dust" means a mixture or combination of silica and other dust or particles.

Policy Number: VGGP001915
Insured Name: CONSTRUCTION ENTERPRISES,
INC.
Number: 17

CG 21 67 12 04

Effective Date: 02/16/2016

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

FUNGI OR BACTERIA EXCLUSION

This endorsement modifies insurance provided under the following:

Commercial General Liability Coverage Part

- A.** The following exclusion is added to Paragraph 2. **Exclusions** of **Section 1 – Coverage A – Bodily Injury And Property Damage Liability**:

2. Exclusions

This insurance does not apply to:

Fungi Or Bacteria

- a. "Bodily injury" or "property damage" which would not have occurred, in whole or in part, but for the actual, alleged or threatened inhalation of, ingestion of, contact with, exposure to, existence of, or presence of, any "fungi" or bacteria on or within a building or structure, including its contents, regardless of whether any other cause, event, material or product contributed concurrently or in any sequence to such injury or damage.
- b. Any loss, cost or expenses arising out of the abating, testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, neutralizing, remediating or disposing of, or in any way responding to, or assessing the effects of, "fungi" or bacteria, by any insured or by any other person or entity.

This exclusion does not apply to any "fungi" or bacteria that are, are on, or are contained in, a good or product intended for bodily consumption.

- B.** The following exclusion is added to Paragraph 2. **Exclusions** of **Section 1 – Coverage B – Personal And Advertising Injury Liability**:

2. Exclusions

This insurance does not apply to:

Fungi Or Bacteria

- a. "Personal and advertising injury" which would not have taken place, in whole or in part, but for the actual, alleged or threatened inhalation of, ingestion of, contact with, exposure to, existence of, or presence of any "fungi" or bacteria on or within a building or structure, including its contents, regardless of whether any other cause, event, material or product contributed concurrently or in any sequence to such injury.
- b. Any loss, cost or expense arising out of the abating, testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, neutralizing, remediating or disposing of, or in any way responding to, or assessing the effects of, "fungi" or bacteria, by any insured or by any other person or entity.

- C.** The following definition is added to the **Definitions** Section:

"Fungi" means any type or form of fungus, including mold or mildew and any mycotoxins, spores, scents or byproducts produced or released by fungi.

COMMON POLICY CONDITIONS

All Coverage Parts included in this policy are subject to the following conditions.

A. Cancellation

1. The first Named Insured shown in the Declarations may cancel this policy by mailing or delivering to us advance written notice of cancellation.
2. We may cancel this policy by mailing or delivering to the first Named Insured written notice of cancellation at least:
 - a. 10 days before the effective date of cancellation if we cancel for nonpayment of premium; or
 - b. 30 days before the effective date of cancellation if we cancel for any other reason.
3. We will mail or deliver our notice to the first Named Insured's last mailing address known to us.
4. Notice of cancellation will state the effective date of cancellation. The policy period will end on that date.
5. If this policy is cancelled, we will send the first Named Insured any premium refund due. If we cancel, the refund will be pro rata. If the first Named Insured cancels, the refund may be less than pro rata. However, in no event shall we retain less than the Minimum Earned Premium at Inception. The cancellation will be effective even if we have not made or offered a refund.
6. If notice is mailed, proof of mailing will be sufficient proof of notice.

B. Changes

This policy contains all the agreements between you and us concerning the insurance afforded. The first Named Insured shown in the Declarations is authorized to make changes in the terms of this policy with our consent. This policy's terms can be amended or waived only by endorsement issued by us and made a part of this policy.

C. Examination Of Your Books And Records

We may examine and audit your books and records as they relate to this policy at any time during the policy period and up to three years afterward.

D. Inspections And Surveys

1. We have the right to:
 - a. Make inspections and surveys at any time;
 - b. Give you reports on the conditions we find; and

c. Recommend changes.

2. We are not obligated to make any inspections, surveys, reports or recommendations and any such actions we do undertake relate only to insurability and the premiums to be charged. We do not make safety inspections. We do not undertake to perform the duty of any person or organization to provide for the health or safety of workers or the public. And we do not warrant that conditions:
 - a. Are safe or healthful; or
 - b. Comply with laws, regulations, codes or standards.
3. Paragraphs 1. and 2. of this condition apply not only to us, but also to any rating, advisory, rate service or similar organization which makes insurance inspections, surveys, reports or recommendations.
4. Paragraph 2. of this condition does not apply to any inspections, surveys, reports or recommendations we may make relative to certification, under state or municipal statutes, ordinances or regulations, of boilers, pressure vessels or elevators.

E. Premiums

The first Named Insured shown in the Declarations:

1. Is responsible for the payment of all premiums; and
2. Will be the payee for any return premiums we pay.

F. Transfer Of Your Rights And Duties Under This Policy

Your rights and duties under this policy may not be transferred without our written consent except in the case of death of an individual named insured.

If you die, your rights and duties will be transferred to your legal representative but only while acting within the scope of duties as your legal representative. Until your legal representative is appointed, anyone having proper temporary custody of your property will have your rights and duties but only with respect to that property.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**PRIMARY AND NONCONTRIBUTORY –
OTHER INSURANCE CONDITION**

This endorsement modifies insurance provided under the following:

Commercial General Liability Coverage Part

The following is added to the **Other Insurance** Condition and supersedes any provision to the contrary:

Primary And Noncontributory Insurance

This insurance is primary to and will not seek contribution from any other insurance available to an additional insured under your policy provided that:

- (1) The additional insured is a Named Insured under such other insurance; and
- (2) You have agreed in writing in a contract or agreement that this insurance would be primary and would not seek contribution from any other insurance available to the additional insured.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**ADDITIONAL INSURED – OWNERS, LESSEES OR
CONTRACTORS – AUTOMATIC STATUS WHEN
REQUIRED IN CONSTRUCTION AGREEMENT WITH YOU**

This endorsement modifies insurance provided under the following:

Commercial General Liability Coverage Part

A. Section II – Who Is An Insured is amended to include as an additional insured any person or organization for whom you are performing operations when you and such person or organization have agreed in writing in a contract or agreement that such person or organization be added as an additional insured on your policy. Such person or organization is an additional insured only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by:

1. Your acts or omissions; or
 2. The acts or omissions of those acting on your behalf;
- in the performance of your ongoing operations for the additional insured.

However, the insurance afforded to such additional insured:

1. Only applies to the extent permitted by law; and
2. Will not be broader than that which you are required by the contract or agreement to provide for such additional insured.

A person's or organization's status as an additional insured under this endorsement ends when your operations for that additional insured are completed.

B. With respect to the insurance afforded to these additional insureds, the following additional exclusions apply:

This insurance does not apply to:

1. "Bodily injury", "property damage" or "personal and advertising injury" arising out of the rendering of, or the failure to render, any professional architectural, engineering or surveying services, including:
 - a. The preparing, approving, or failing to prepare or approve, maps, shop drawings, opinions, reports, surveys, field orders, change orders or drawings and specifications; or
 - b. Supervisory, inspection, architectural or engineering activities.

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the "occurrence" which caused the "bodily injury" or "property damage", or the offense which caused the "personal and advertising injury", involved the rendering of or the failure to render any professional architectural, engineering or surveying services.

2. "Bodily injury" or "property damage" occurring after:
 - a. All work, including materials, parts or equipment furnished in connection with such work, on the project (other than service, maintenance or repairs) to be performed by or on behalf of the additional insured(s) at the location of the covered operations has been completed; or
 - b. That portion of "your work" out of which the injury or damage arises has been put to its intended use by any person or organization other than another contractor or subcontractor engaged in performing operations for a principal as a part of the same project.

C. With respect to the insurance afforded to these additional insureds, the following is added to **Section III – Limits Of Insurance:**

The most we will pay on behalf of the additional insured is the amount of insurance:

1. Required by the contract or agreement you have entered into with the additional insured; or
2. Available under the applicable Limits of Insurance shown in the Declarations;

whichever is less.

This endorsement shall not increase the applicable Limits of Insurance shown in the Declarations.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ADDITIONAL INSURED – OWNERS, LESSEES OR CONTRACTORS – COMPLETED OPERATIONS

This endorsement modifies insurance provided under the following:

Commercial General Liability Coverage Part

SCHEDULE

Name Of Additional Insured Person(s) Or Organization(s)	Location And Description Of Completed Operations
Any person or organization when you and such person or organization have agreed in writing in a contract, prior to an occurrence that causes "bodily injury", "property damage" or "personal and advertising injury", that such person or organization be added as an additional insured on your policy.	All locations and completed operations for which you and the additional insured have agreed in writing in a contract prior to an occurrence that causes "bodily injury", "property damage" or "personal and advertising injury".

Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

A. Section II – Who Is An Insured is amended to include as an additional insured the person(s) or organization(s) shown in the Schedule, but only with respect to liability for "bodily injury" or "property damage" caused, in whole or in part, by "your work" at the location designated and described in the Schedule of this endorsement performed for that additional insured and included in the "products-completed operations hazard".

However:

1. The insurance afforded to such additional insured only applies to the extent permitted by law; and
2. If coverage provided to the additional insured is required by a contract or agreement, the insurance afforded to such additional insured will not be broader than that which you are required by the contract or agreement to provide for such additional insured.

B. With respect to the insurance afforded to these additional insureds, the following is added to Section III – Limits Of Insurance:

If coverage provided to the additional insured is required by a contract or agreement, the most we will pay on behalf of the additional insured is the amount of insurance:

1. Required by the contract or agreement; or
 2. Available under the applicable Limits of Insurance shown in the Declarations;
- whichever is less.

This endorsement shall not increase the applicable Limits of Insurance shown in the Declarations.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**ADDITIONAL INSURED – LESSOR OF
LEASED EQUIPMENT- AUTOMATIC STATUS WHEN
REQUIRED IN LEASE AGREEMENT WITH YOU**

This endorsement modifies insurance provided under the following:

Commercial General Liability Coverage Part

- A. Section II – Who Is An Insured** is amended to include as an additional insured any person(s) or organization(s) from whom you lease equipment when you and such person(s) or organization(s) have agreed in writing in a contract or agreement that such person(s) or organization(s) be added as an additional insured on your policy. Such person(s) or organization(s) is an insured only with respect to liability for “bodily injury” or “property damage” caused in whole or in part, by your maintenance, operation or use of equipment leased to you by such person(s) or organization(s).

However the insurance afforded to such additional insured:

1. Does not apply to the additional insured’s sole negligence;
2. Only applies to the extent permitted by law; and
3. Will not be broader than that which you are required by the contract or agreement to provide for such additional insured.

A person’s or organization’s status as an additional insured under this endorsement ends when their contract or agreement with you for such leased equipment ends.

- B.** With respect to the insurance afforded to these additional insureds, this insurance does not apply to any "occurrence" which takes place after the equipment lease expires.
- C.** With respect to the insurance afforded to these additional insureds, the following is added to **Section III – Limits Of Insurance**:

The most we will pay on behalf of the additional insured is the amount of insurance:

1. Required by the contract or agreement you have entered into with the additional insured; or
 2. Available under the applicable Limits of Insurance shown in the Declarations;
- whichever is less.

This endorsement shall not increase the applicable Limits of Insurance shown in the Declarations.

Policy Number: VGGP001915
Insured Name: CONSTRUCTION ENTERPRISES, INC.
Number: 23

CG 21 54 01 96
Effective Date: 02/16/2016

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION – DESIGNATED OPERATIONS COVERED BY A CONSOLIDATED (WRAP-UP) INSURANCE PROGRAM

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

SCHEDULE

Description and Location of Operation(s):

(If no entry appears above, information required to complete this endorsement will be shown in the Declarations as applicable to this endorsement.)

The following exclusion is added to paragraph 2.,
Exclusions of COVERAGE A – BODILY
INJURY AND PROPERTY DAMAGE
LIABILITY (Section I – Coverages):

This insurance does not apply to "bodily injury" or "property damage" arising out of either your ongoing operations or operations included within the "products-completed operations hazard" at the location described in the Schedule of this endorsement, as a consolidated (wrap-up) insurance program has been provided by the prime contractor/project manager or owner of the construction project in which you are involved.

This exclusion applies whether or not the consolidated (wrap-up) insurance program:

- (1)** Provides coverage identical to that provided by this Coverage Part;
- (2)** Has limits adequate to cover all claims; or
- (3)** Remains in effect.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION – ENGINEERS, ARCHITECTS OR SURVEYORS PROFESSIONAL LIABILITY

This endorsement modifies insurance provided under the following:

Commercial General Liability Coverage Part

The following exclusion is added to **Paragraph 2., Exclusions of Sections I – Coverage A – Bodily Injury And Property Damage Liability** and **Paragraph 2., Exclusions of Section 1 – Coverage B – Personal And Advertising Injury Liability**:

This insurance does not apply to “bodily injury” “property damage” or “personal and advertising injury” arising out of the rendering of or failure to render any professional services by you or any engineer, architect or surveyor who is either employed by you or performing work on your behalf in such capacity.

Professional services include:

1. The preparing, approving, or failing to prepare or approve, maps, shop drawings, opinions, reports, surveys, field orders, change orders or drawings and specifications: and
2. Supervisory, inspection, architectural or engineering activities.

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the “occurrence” which caused the “bodily injury” or “property damage”, or the offense which caused the “personal and advertising injury”, involved the rendering of or failure to render any professional services by you or any engineer, architect or surveyor who is either employed by you or performing work on your behalf in such capacity.

Policy Number: VGGP001915
Insured Name: CONSTRUCTION ENTERPRISES,
INC.
Number: 25

CG 22 79 04 13

Effective Date: 02/16/2016

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION – CONTRACTORS – PROFESSIONAL LIABILITY

This endorsement modifies insurance provided under the following:

Commercial General Liability Coverage Part

The following exclusion is added to Paragraph 2. Exclusions of Section I – Coverage A – Bodily Injury And Property Damage Liability and Paragraph 2. Exclusions of Section I – Coverage B – Personal And Advertising Injury Liability:

1. This insurance does not apply to “bodily injury”, “property damage” or “personal and advertising injury” arising out of the rendering of or failure to render any professional services by you or on your behalf, but only with respect to either or both of the following operations:
 - a. Providing engineering, architectural or surveying services to others in your capacity as an engineer, architect or surveyor; and
 - b. Providing, or hiring independent professionals to provide, engineering, architectural or surveying services in connection with construction work you perform.

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the “occurrence” which caused the “bodily injury” or “property damage”, or the offense which caused the “personal and advertising injury”, involved the rendering of or failure to render any professional services by you or on your behalf with respect to the operations described above.

2. Subject to Paragraph 3. below, professional services include:
 - a. Preparing, approving, or failing to prepare or approve, maps, shop drawings, opinions, reports, surveys, field orders, change orders, or drawings and specifications; and
 - b. Supervisory or inspection activities performed as part of any related architectural or engineering activities.
3. Professional services do not include services within construction means, methods, techniques, sequences and procedures employed by you in connection with your operations in your capacity as a construction contractor.

Policy Number: VGGP001915
Insured Name: CONSTRUCTION ENTERPRISES,
INC.
Number: 26

CG 23 01 04 13

Effective Date: 02/16/2016

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**EXCLUSION – REAL ESTATE AGENTS OR BROKERS
ERRORS OR OMISSIONS**

This endorsement modifies insurance provided under the following:

Commercial General Liability Coverage Part

The following exclusion is added to Paragraph 2. **Exclusions** of **Section I – Coverage A – Bodily Injury And Property Damage Liability** and Paragraph 2. **Exclusions** of **Section I – Coverage B – Personal And Advertising Injury Liability**:

This insurance does not apply to "bodily injury", "property damage" or "personal and advertising injury" arising out of any misrepresentation, error or omission by you or any real estate agent or broker who is either employed by you or performing work on your behalf in such capacity.

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the "occurrence" which caused the "bodily injury" or "property damage", or the offense which caused the "personal and advertising injury", involved any misrepresentation, error or omission by you or any real estate agent or broker who is either employed by you or performing work on your behalf in such capacity.

Policy Number: VGGP001915
Insured Name: CONSTRUCTION ENTERPRISES,
INC.
Number: 27

CG 04 35 12 07

Effective Date: 02/16/2016

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EMPLOYEE BENEFITS LIABILITY COVERAGE

This endorsement modifies insurance provided under the following:

Commercial General Liability Coverage Part

SCHEDULE

Coverage	Limit Of Insurance	Each Employee Deductible	Premium
Employee Benefits Programs	\$1,000,000 each employee	\$\$1,000	\$Included
	\$\$2,000,000 aggregate		
Retroactive Date:	2/16/2013		
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.			

A. The following is added to **Section I – Coverages**:

COVERAGE – EMPLOYEE BENEFITS LIABILITY

1. Insuring Agreement

a. We will pay those sums that the insured becomes legally obligated to pay as damages because of any act, error or omission, of the insured, or of any other person for whose acts the insured is legally liable, to which this insurance applies. We will have the right and duty to defend the insured against any "suit" seeking those damages. However, we will have no duty to defend the insured against any "suit" seeking damages to which this insurance does not apply. We may, at our discretion, investigate any report of an act, error or omission and settle any "claim" or "suit" that may result. But:

- (1) The amount we will pay for damages is limited as described in Paragraph **D.** (Section **III** – Limits Of Insurance); and
- (2) Our right and duty to defend ends when we have used up the applicable limit of insurance in the payment of judgments or settlements.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under Supplementary Payments.

b. This insurance applies to damages only if:

- (1) The act, error or omission, is negligently committed in the "administration" of your "employee benefit program";
- (2) The act, error or omission, did not take place before the Retroactive Date, if any, shown in the Schedule nor after the end of the policy period; and

(3) A "claim" for damages, because of an act, error or omission, is first made against any insured, in accordance with Paragraph c. below, during the policy period or an Extended Reporting Period we provide under Paragraph F. of this endorsement.

c. A "claim" seeking damages will be deemed to have been made at the earlier of the following times:

(1) When notice of such "claim" is received and recorded by any insured or by us, whichever comes first; or

(2) When we make settlement in accordance with Paragraph a. above.

A "claim" received and recorded by the insured within 60 days after the end of the policy period will be considered to have been received within the policy period, if no subsequent policy is available to cover the claim.

d. All "claims" for damages made by an "employee" because of any act, error or omission, or a series of related acts, errors or omissions, including damages claimed by such "employee's" dependents and beneficiaries, will be deemed to have been made at the time the first of those "claims" is made against any insured.

2. Exclusions

This insurance does not apply to:

a. Dishonest, Fraudulent, Criminal Or Malicious Act

Damages arising out of any intentional, dishonest, fraudulent, criminal or malicious act, error or omission, committed by any insured, including the willful or reckless violation of any statute.

b. Bodily Injury, Property Damage, Or Personal And Advertising Injury

"Bodily injury", "property damage" or "personal and advertising injury".

c. Failure To Perform A Contract

Damages arising out of failure of performance of contract by any insurer.

d. Insufficiency Of Funds

Damages arising out of an insufficiency of funds to meet any obligations under any plan included in the "employee benefit program".

e. Inadequacy Of Performance Of Investment/Advice Given With Respect To Participation

Any "claim" based upon:

(1) Failure of any investment to perform;

(2) Errors in providing information on past performance of investment vehicles; or

(3) Advice given to any person with respect to that person's decision to participate or not to participate in any plan included in the "employee benefit program".

f. Workers' Compensation And Similar Laws

Any "claim" arising out of your failure to comply with the mandatory provisions of any workers' compensation, unemployment compensation insurance, social security or disability benefits law or any similar law.

g. ERISA

Damages for which any insured is liable because of liability imposed on a fiduciary by the Employee Retirement Income Security Act of 1974, as now or hereafter amended, or by any similar federal, state or local laws.

h. Available Benefits

Any "claim" for benefits to the extent that such benefits are available, with reasonable effort and cooperation of the insured, from the applicable funds accrued or other collectible insurance.

i. Taxes, Fines Or Penalties

Taxes, fines or penalties, including those imposed under the Internal Revenue Code or any similar state or local law.

j. Employment-Related Practices

Damages arising out of wrongful termination of employment, discrimination, or other employment-related practices.

B. For the purposes of the coverage provided by this endorsement:

1. All references to Supplementary Payments – Coverages **A** and **B** are replaced by Supplementary Payments – Coverages **A, B and Employee Benefits Liability**.
2. Paragraphs **1.b.** and **2.** of the Supplementary Payments provision do not apply.

C. For the purposes of the coverage provided by this endorsement, Paragraphs 2. and 3. of **Section II – Who Is An Insured** are replaced by the following:

2. Each of the following is also an insured:

- a. Each of your "employees" who is or was authorized to administer your "employee benefit program".
- b. Any persons, organizations or "employees" having proper temporary authorization to administer your "employee benefit program" if you die, but only until your legal representative is appointed.
- c. Your legal representative if you die, but only with respect to duties as such. That r epresentative will have all your rights and duties under this Endorsement.
3. Any organization you newly acquire or form, other than a partnership, joint venture or limited liability company, and over which you maintain ownership or majority interest, will qualify as a Named Insured if no other similar insurance applies to that organization. However:
 - a. Coverage under this provision is afforded only until the 90th day after you acquire or form the organization or the end of the policy period, whichever is earlier.
 - b. Coverage under this provision does not apply to any act, error or omission that was c ommitted before you acquired or formed the organization.
 - D. For the purposes of the coverage provided by this endorsement, **Section III – Limits Of Insurance** is replaced by the following:

1. Limits Of Insurance

- a. The Limits of Insurance shown in the Schedule and the rules below fix the most we will pay regardless of the number of:
 - (1) Insureds;
 - (2) "Claims" made or "suits" brought;
 - (3) Persons or organizations making "claims" or bringing "suits";
 - (4) Acts, errors or omissions; or
 - (5) Benefits included in your "employee benefit program".
- b. The Aggregate Limit is the most we will pay for all damages because of acts, errors or omissions negligently committed in the "administration" of your "employee benefit program".
- c. Subject to the Aggregate Limit, the Each Employee Limit is the most we will pay for all damages sustained by any one "employee", including damages sustained by such "employee's" dependents and beneficiaries, as a result of:
 - (1) An act, error or omission; or
 - (2) A series of related acts, errors or omissions

Negligently committed in the "administration" of your "employee benefit program".

However, the amount paid under this endorsement shall not exceed, and will be subject to, the limits and restrictions that apply to the payment of benefits in any plan included in the "employee benefit program".

The Limits of Insurance of this endorsement apply separately to each consecutive annual period and to any remaining period of less than 12 months, starting with the beginning of the policy period shown in the Declarations of the policy to which this endorsement is attached, unless the policy period is extended after issuance for an additional period of less than 12 months. In that case, the additional period will be deemed part of the last preceding period for purposes of determining the Limits Of Insurance.

2. Deductible

- a. Our obligation to pay damages on behalf of the insured applies only to the amount of damages in excess of the deductible amount stated in the Schedule as applicable to Each Employee. The limits of insurance shall not be reduced by the amount of this deductible.
- b. The deductible amount stated in the Schedule applies to all damages sustained by any one "employee", including such "employee's" dependents and beneficiaries, because of all acts, errors or omissions to which this insurance applies.
- c. The terms of this insurance, including those with respect to:
 - (1) Our right and duty to defend any "suits" seeking those damages; and
 - (2) Your duties, and the duties of any other involved insured, in the event of an act, error or omission, or "claim"apply irrespective of the application of the deductible amount.
- d. We may pay any part or all of the deductible amount to effect settlement of any "claim" or "suit" and, upon notification of the action taken, you shall promptly reimburse us for such part of the deductible amount as we have paid.

- E. For the purposes of the coverage provided by this endorsement, Conditions **2.** and **4. of Section IV – Commercial General Liability Conditions** are replaced by the following:

2. Duties In The Event Of An Act, Error Or Omission, Or "Claim" Or "Suit"

- a. You must see to it that we are notified as soon as practicable of an act, error or omission which may result in a "claim". To the extent possible, notice should include:
 - (1) What the act, error or omission was and when it occurred; and
 - (2) The names and addresses of anyone who may suffer damages as a result of the act, error or omission.
- b. If a "claim" is made or "suit" is brought against any insured, you must:
 - (1) Immediately record the specifics of the "claim" or "suit" and the date received; and
 - (2) Notify us as soon as practicable.You must see to it that we receive written notice of the "claim" or "suit" as soon as practicable.
- c. You and any other involved insured must:
 - (1) Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the "claim" or "suit";
 - (2) Authorize us to obtain records and other information;
 - (3) Cooperate with us in the investigation or settlement of the "claim" or defense against the "suit"; and
 - (4) Assist us, upon our request, in the enforcement of any right against any person or organization which may be liable to the insured because of an act, error or omission to which this insurance may also apply.
- d. No insured will, except at that insured's own cost, voluntarily make a payment, assume any obligation or incur any expense without our consent.

4. Other Insurance

If other valid and collectible insurance is available to the insured for a loss we cover under this endorsement, our obligations are limited as follows:

a. Primary Insurance

This insurance is primary except when Paragraph **b.** below applies. If this insurance is primary, our obligations are not affected unless any of the other insurance is also primary. Then, we will share with all that other insurance by the method described in Paragraph **c.** below.

b. Excess Insurance

- (1) This insurance is excess over any of the other insurance, whether primary, excess, contingent or on any other basis that is effective prior to the beginning of the policy period shown in the Schedule of this insurance and that applies to an act, error or omission on other than a claims-made basis, if:
 - (a) No Retroactive Date is shown in the Schedule of this insurance; or
 - (b) The other insurance has a policy period which continues after the Retroactive Date shown in the Schedule of this insurance.
- (2) When this insurance is excess, we will have no duty to defend the insured against any "suit" if any other insurer has a duty to defend the insured against that "suit". If no other insurer defends, we will undertake to do so, but we will be entitled to the insured's rights against all those other insurers.
- (3) When this insurance is excess over other insurance, we will pay only our share of the amount of the loss, if any, that exceeds the sum of the total amount that all such other insurance would pay for the loss in absence of this insurance; and the total of all deductible and self-insured amounts under all that other insurance.
- (4) We will share the remaining loss, if any, with any other insurance that is not described in this Excess Insurance provision and was not bought specifically to apply in excess of the Limits of Insurance shown in the Schedule of this endorsement.

c. Method Of Sharing

If all of the other insurance permits contribution by equal shares, we will follow this method also. Under this approach each insurer contributes equal amounts until it has paid its applicable limit of insurance or none of the loss remains, whichever comes first.

If any of the other insurance does not permit contribution by equal shares, we will contribute by limits. Under this method, each insurer's share is based on the ratio of its applicable limits of insurance to the total applicable limits of insurance of all insurers.

F. For the purposes of the coverage provided by this endorsement, the following Extended Reporting Period provisions are added, or, if this endorsement is attached to a claims-made Coverage Part, replaces any similar Section in that Coverage Part:

EXTENDED REPORTING PERIOD

1. You will have the right to purchase an Extended Reporting Period, as described below, if:
 - a. This endorsement is canceled or not renewed; or
 - b. We renew or replace this endorsement with insurance that:
 - (1) Has a Retroactive Date later than the date shown in the Schedule of this endorsement; or
 - (2) Does not apply to an act, error or omission on a claims-made basis.
2. The Extended Reporting Period does not extend the policy period or change the scope of coverage provided. It applies only to "claims" for acts, errors or omissions that were first committed before the end of the policy period but not before the Retroactive Date, if any, shown in the Schedule. Once in effect, the Extended Reporting Period may not be canceled.
3. An Extended Reporting Period of five years is available, but only by an endorsement and for an extra charge.

You must give us a written request for the endorsement within 60 days after the end of the policy period. The Extended Reporting Period will not go into effect unless you pay the additional premium promptly when due.

We will determine the additional premium in accordance with our rules and rates. In doing so, we may take into account the following:

- a. The "employee benefit programs" insured;
- b. Previous types and amounts of insurance;
- c. Limits of insurance available under this endorsement for future payment of damages; and
- d. Other related factors.

The additional premium will not exceed 100% of the annual premium for this endorsement.

The Extended Reporting Period endorsement applicable to this coverage shall set forth the terms, not inconsistent with this Section, applicable to the Extended Reporting Period, including a provision to the effect that the insurance afforded for "claims" first received during such period is excess over any other valid and collectible insurance available under policies in force after the Extended Reporting Period starts.

- 4. If the Extended Reporting Period is in effect, we will provide an extended reporting period aggregate limit of insurance described below, but only for claims first received and recorded during the Extended Reporting Period.

The extended reporting period aggregate limit of insurance will be equal to the dollar amount shown in the Schedule of this endorsement under Limits of Insurance.

Paragraph **D.1.b.** of this endorsement will be amended accordingly. The Each Employee Limit shown in the Schedule will then continue to apply as set forth in Paragraph **D.1.c.**

- G. For the purposes of the coverage provided by this endorsement, the following definitions are added to the **Definitions** Section:

- 1. "Administration" means:

- a. Providing information to "employees", including their dependents and beneficiaries, with respect to eligibility for or scope of "employee benefit programs";
- b. Handling records in connection with the "employee benefit program"; or
- c. Effecting, continuing or terminating any "employee's" participation in any benefit included in the "employee benefit program".

However, "administration" does not include handling payroll deductions.

- 2. "Cafeteria plans" means plans authorized by applicable law to allow employees to elect to pay for certain benefits with pre-tax dollars.
- 3. "Claim" means any demand, or "suit", made by an "employee" or an "employee's" dependents and beneficiaries, for damages as the result of an act, error or omission.
- 4. "Employee benefit program" means a program providing some or all of the following benefits to "employees", whether provided through a "cafeteria plan" or otherwise:
 - a. Group life insurance, group accident or health insurance, dental, vision and hearing plans, and flexible spending accounts, provided that no one other than an "employee" may subscribe to such benefits and such benefits are made generally available to those "employees" who satisfy the plan's eligibility requirements;
 - b. Profit sharing plans, employee savings plans, employee stock ownership plans, pension plans and stock subscription plans, provided that no one other than an "employee" may subscribe to such benefits and such benefits are made generally available to all "employees" who are eligible under the plan for such benefits;
 - c. Unemployment insurance, social security benefits, workers' compensation and disability benefits;
 - d. Vacation plans, including buy and sell programs; leave of absence programs, including military, maternity, family, and civil leave; tuition assistance plans; transportation and health club subsidies; and

- e. Any other similar benefits designated in the Schedule or added thereto by endorsement.
- H. For the purposes of the coverage provided by this endorsement, Definitions **5.** and **18.** in the **Definitions** Section are replaced by the following:
5. "Employee" means a person actively employed, formerly employed, on leave of absence or disabled, or retired. "Employee" includes a "leased worker". "Employee" does not include a "temporary worker".
18. "Suit" means a civil proceeding in which damages because of an act, error or omission to which this insurance applies are alleged. "Suit" includes:
- a. An arbitration proceeding in which such damages are claimed and to which the insured must submit or does submit with our consent; or
- b. Any other alternative dispute resolution proceeding in which such damages are claimed and to which the insured submits with our consent.

H. For the purposes of the coverage provided by this endorsement, Definitions 5. and 18. in the **Definitions** Section are replaced by the following:

5. "Employee" means a person actively employed, formerly employed, on leave of absence or disabled, or retired. "Employee" includes a "leased worker". "Employee" does not include a "temporary worker".

18. "Suit" means a civil proceeding in which damages because of an act, error or omission to which this insurance applies are alleged. "Suit" includes:

a. An arbitration proceeding in which such damages are claimed and to which the insured must submit or does submit with our consent; or

b. Any other alternative dispute resolution proceeding in which such damages are claimed and to which the insured submits with our consent.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EMPLOYMENT-RELATED PRACTICES EXCLUSION

This endorsement modifies insurance provided under the following:

Commercial General Liability Coverage Part

A. The following exclusion is added to Paragraph 2., Exclusions of Section I – Coverage A – Bodily Injury And Property Damage Liability:

This insurance does not apply to:

"Bodily injury" to:

(1) A person arising out of any:

- (a)** Refusal to employ that person;
- (b)** Termination of that person's employment; or
- (c)** Employment-related practices, policies, acts or omissions, such as coercion, demotion, evaluation, reassignment, discipline, defamation, harassment, humiliation, discrimination or malicious prosecution directed at that person; or

(2) The spouse, child, parent, brother or sister of that person as a consequence of "bodily injury" to that person at whom any of the employment-related practices described in Paragraphs (a), (b), or (c) above is directed.

This exclusion applies:

- (1)** Whether the injury-causing event described in Paragraphs (a), (b) or (c) above occurs before employment, during employment or after employment of that person;
- (2)** Whether the insured may be liable as an employer or in any other capacity; and
- (3)** To any obligation to share damages with or repay someone else who must pay damages because of the injury.

B. The following exclusion is added to Paragraph 2., Exclusions of Section I – Coverage B – Personal And Advertising Injury Liability:

This insurance does not apply to:

"Personal and advertising injury" to:

(1) A person arising out of any:

- (a)** Refusal to employ that person;
- (b)** Termination of that person's employment; or
- (c)** Employment-related practices, policies, acts or omissions, such as coercion, demotion, evaluation, reassignment, discipline, defamation, harassment, humiliation, discrimination or malicious prosecution directed at that person; or

(2) The spouse, child, parent, brother or sister of that person as a consequence of "personal and advertising injury" to that person at whom any of the employment-related practices described in Paragraphs (a), (b), or (c) above is directed.

This exclusion applies:

- (1)** Whether the injury-causing event described in Paragraphs (a), (b) or (c) above occurs before employment, during employment or after employment of that person;

- (2) Whether the insured may be liable as an employer or in any other capacity; and
- (3) To any obligation to share damages with or repay someone else who must pay damages because of the injury.

Policy Number: VGGP001915
Insured Name: CONSTRUCTION ENTERPRISES,
INC.
Number: 29

CG 24 04 05 09

Effective Date: 02/16/2016

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

WAIVER OF TRANSFER OF RIGHTS OF RECOVERY AGAINST OTHERS TO US

This endorsement modifies insurance provided under the following:

Commercial General Liability Coverage Part

SCHEDULE

<p>Name Of Person Or Organization: Any person or organization when you and such person or organization have agreed in writing in a contract, prior to an occurrence that causes "bodily injury", "property damage" or "personal and advertising injury", that you would provide such person or organization a waiver of transfer of rights of recovery against others to us on your policy.</p>
--

<p>Information required to complete this Schedule, if not shown above, will be shown in the Declarations.</p>

The following is added to Paragraph **8. Transfer Of Rights Of Recovery Against Others To Us** of **Section IV – Conditions:**

We waive any right of recovery we may have against the person or organization shown in the Schedule above because of payments we make for injury or damage arising out of your ongoing operations or "your work" done under a contract with that person or organization and included in the "products-completed operations hazard". This waiver applies only to the person or organization shown in the Schedule above.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

AMENDMENT OF INSURED CONTRACT DEFINITION

This endorsement modifies insurance provided under the following:

Commercial General Liability Coverage Part

The definition of "insured contract" in the **Definitions** section is replaced by the following:

"Insured contract" means:

- a. A contract for a lease of premises. However, that portion of the contract for a lease of premises that indemnifies any person or organization for damage by fire to premises while rented to you or temporarily occupied by you with permission of the owner is not an "insured contract";
- b. A sidetrack agreement;
- c. Any easement or license agreement, except in connection with construction or demolition operations on or within 50 feet of a railroad;
- d. An obligation, as required by ordinance, to indemnify a municipality, except in connection with work for a municipality;
- e. An elevator maintenance agreement;
- f. That part of any other contract or agreement pertaining to your business (including an indemnification of a municipality in connection with work performed for a municipality) under which you assume the tort liability of another party to pay for "bodily injury" or "property damage" to a third person or organization, provided the "bodily injury" or "property damage" is caused, in whole or in part, by you or by those acting on your behalf. However, such part of a contract or agreement shall only be considered an "insured contract" to the extent your assumption of the tort liability is permitted by law. Tort liability means a liability that would be imposed by law in the absence of any contract or agreement.

Paragraph f. does not include that part of any contract or agreement:

- (1) That indemnifies a railroad for "bodily injury" or "property damage" arising out of construction or demolition operations, within 50 feet of any railroad property and affecting any railroad bridge or trestle, tracks, road-beds, tunnel, underpass or crossing;
- (2) That indemnifies an architect, engineer or surveyor for injury or damage arising out of:
 - (a) Preparing, approving, or failing to prepare or approve, maps, shop drawings, opinions, reports, surveys, field orders, change orders or drawings and specifications; or
 - (b) Giving directions or instructions, or failing to give them, if that is the primary cause of the injury or damage; or
- (3) Under which the insured, if an architect, engineer or surveyor, assumes liability for an injury or damage arising out of the insured's rendering or failure to render professional services, including those listed in (2) above and supervisory, inspection, architectural or engineering activities.

Policy Number: VGGP001915
Insured Name: CONSTRUCTION ENTERPRISES,
INC.
Number: 31

VE 06 14 10 13

Effective Date: 02/16/2016

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION - EXTERIOR INSULATION AND FINISH SYSTEMS - EXCEPTION FOR SCHEDULED PRODUCTS

This endorsement modifies insurance provided under the following:

Commercial General Liability Coverage Part

A. The following exclusion is added to Paragraph 2. **Exclusions** of both **Section I – Coverage A – Bodily Injury And Property Damage Liability** and **Section I – Coverage B – Personal And Advertising Injury Liability**:

2. Exclusions

This insurance does not apply to:

Exterior Insulation and Finish Systems

"Bodily injury," "property damage," or "personal and advertising injury" arising out of, resulting from, caused by, attributable to, or related to, whether in whole or in part:

- (1) The design, manufacture, construction, fabrication, preparation, distribution, sale, installation, application, maintenance or repair, including remodeling, service, correction or replacement, of any "exterior insulation and finish system" or any part thereof, or any similar system or any part thereof, including the application or use of conditioners, primers, accessories, flashings, coatings, caulking or sealants in connection with such a system; or
- (2) "Your product" or "your work" with respect to any exterior component, fixture or feature of any structure if an "exterior insulation and finish system", or any similar system, is used on the part of that structure containing that component, fixture or feature.

However, this Exclusion does not apply to the application or use of the systems and products shown in the schedule on or after the dates shown.

Schedule

<u>Manufacturer(s)</u>	<u>Product(s) or System(s)</u>	<u>Date</u>
1. N/A	N/A	<u>N/A</u>
2. N/A	N/A	<u>N/A</u>
3. N/A	N/A	<u>N/A</u>
4. N/A	N/A	<u>N/A</u>

If no entry, or N/A, appears in the Schedule above, this exception to the exclusion does not apply.

B. For the purposes of this endorsement, the Definitions section is amended by the addition of the following definition:

"Exterior insulation and finish system" means a non-load bearing exterior cladding or finish system, and all component parts therein, used on any part of any structure, and consisting of:

- a.** A rigid or semi-rigid sheathing or insulation board, including but not limited to expanded polystyrene, gypsum-based, wood-based, or insulation-based materials;
- b.** The adhesive and/or mechanical fasteners used to attach the sheathing or insulation board to the substrate;
- c.** A reinforced or unreinforced base coat;
- d.** A finish coat; and
- e.** Any flashing, caulking or sealant used with the system for any purpose.

Policy Number: VGGP001915
Insured Name: CONSTRUCTION ENTERPRISES,
INC.
Number: 32

VE 01 84 12 13

Effective Date: 02/16/2016

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**DESIGNATED CONSTRUCTION PROJECT(S)
GENERAL AGGREGATE LIMIT – SUBJECT TO A
MAXIMUM AGGREGATE**

This endorsement modifies insurance provided under the following:

Commercial General Liability Coverage Part

SCHEDULE

Designated Construction Project(s): All construction projects for which you have agreed in writing in a contract, prior to an occurrence that causes "bodily injury", "property damage" or "personal and advertising injury", to provide project specific limits.

- A.** For all sums which the insured becomes legally obligated to pay as damages caused by "occurrences" under Section **I** – Coverage **A**, and for all medical expenses caused by accidents under Section **I** – Coverage **C**, which can be attributed only to ongoing operations at a single designated construction project shown in the Schedule above:
1. A separate Designated Construction Project General Aggregate Limit applies to each designated construction project, and that limit is equal to the amount of the General Aggregate Limit shown in the Declarations.
 2. The Designated Construction Project General Aggregate Limit is the most we will pay for the sum of all damages under Coverage **A**, except damages because of "bodily injury" or "property damage" included in the "products-completed operations hazard", and for medical expenses under Coverage **C** regardless of the number of:
 - a. Insureds;
 - b. Claims made or "suits" brought; or
 - c. Persons or organizations making claims or bringing "suits".
 3. Any payments made under Coverage **A** for damages or under Coverage **C** for medical expenses shall reduce the Designated Construction Project General Aggregate Limit for that designated construction project. Such payments shall not reduce the General Aggregate Limit shown in the Declarations nor shall they reduce any other Designated Construction Project General Aggregate Limit for any other designated construction project shown in the Schedule above.

4. The limits shown in the Declarations for Each Occurrence, Damage To Premises Rented To You and Medical Expense continue to apply. However, instead of being subject to the General Aggregate Limit shown in the Declarations, such limits will be subject to the applicable Designated Construction Project General Aggregate Limit.

5. All payments under this endorsement are subject to the Maximum Aggregate Limit of:

\$ 5,000,000

The Maximum Aggregate Limit is the most we will pay under this endorsement regardless of the number of Designated Construction Project General Aggregate Limits. The Maximum Aggregate Limit is not available to pay for damages or expenses other than as set forth in the endorsement.

B. For all sums which the insured becomes legally obligated to pay as damages caused by "occurrences" under Section I – Coverage A, and for all medical expenses caused by accidents under Section I – Coverage C, which cannot be attributed only to ongoing operations at a single designated construction project shown in the Schedule above:

1. Any payments made under Coverage A for damages or under Coverage C for medical expenses shall reduce the amount available under the General Aggregate Limit or the Products-completed Operations Aggregate Limit, whichever is applicable; and

2. Such payments shall not reduce any Designated Construction Project General Aggregate Limit.

C. When coverage for liability arising out of the "products-completed operations hazard" is provided, any payments for damages because of "bodily injury" or "property damage" included in the "products-completed operations hazard" will reduce the Products-completed Operations Aggregate Limit, and not reduce the General Aggregate Limit nor the Designated Construction Project General Aggregate Limit.

D. If the applicable designated construction project has been abandoned, delayed, or abandoned and then restarted, or if the authorized contracting parties deviate from plans, blueprints, designs, specifications or timetables, the project will still be deemed to be the same construction project.

E. The provisions of Section III – Limits Of Insurance not otherwise modified by this endorsement shall continue to apply as stipulated.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

SUBCONTRACTOR AND INDEPENDENT CONTRACTOR CONDITIONAL AMENDMENT OF DEDUCTIBLE

This endorsement modifies insurance provided under the following:

Commercial General Liability Coverage Part

Minimum Subcontractor and Independent Contractor Commercial General Liability Limits of Insurance Requirements	
Each Occurrence Limit	\$2,000,000
General Aggregate Limits (Other than Products-Completed Operations)	\$2,000,000
Products-Completed Operations Aggregate Limit	\$2,000,000
Personal and Advertising Injury Limit	\$1,000,000

Section IV - Commercial General Liability Conditions is amended to include the following condition:

When work or operations are performed by others, including subcontractors and independent contractors, on any insured's behalf, the insured shall obtain, prior to the start of work or operations, and have record of:

- a. A written contract or agreement for the work or operations, that is signed by the person or organization performing operations on the insured's behalf, that:
 - (1) Holds the insured harmless and indemnifies the insured for "bodily injury", "property damage" and "personal and advertising injury" arising out of those operations or work, including work included in the "products completed operations hazard"; and
 - (2) Specifies the person or organization performing the operations has, and will maintain for the length of the statute of limitations in the jurisdiction in which the operations or work are performed, Commercial General Liability insurance coverage that:
 - (a) Has minimum limits of insurance as shown in the Schedule above
 - (b) Covers the person or organization for their performance of the operations and work, including work included in the "products-completed operations hazard";
 - (c) Provides the insured coverage as an additional insured for the same;
 - (d) Covers contractual liability for assumption of liability in an "insured contract," including "bodily injury" claims asserted by any "employee" of the person or organization performing operations or work on behalf of the insured; and
 - (e) Is primary and will not seek contribution from the policy.

- b.** Certificates of insurance confirming Commercial General Liability insurance coverage as specified above.

Subject to the provisions above, and the endorsements attached to this policy, a deductible of \$50,000 will apply to all claims arising out of work or operations performed by others on an insured's behalf if any one of the conditions stated above is not satisfied.

Policy: VGGP001915
Insured Name: CONSTRUCTION ENTERPRISES, INC.
Number: 34

VE 04 36 06 14
Effective Date: 02/16/2016

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

60 DAYS NOTICE OF CANCELLATION

This endorsement modifies insurance provided under the following:

Commercial General Liability Coverage Part

Paragraph 2. of section **A. Cancellation** in the Common Policy Conditions is deleted and replaced by the following:

2. We may cancel this policy by mailing or delivering to the first Named Insured written notice of cancellation at least:
 - a. 10 days before the effective date of cancellation if we cancel for nonpayment of premium; or
 - b. 60 days before the effective date of cancellation if we cancel for any other reason.

Policy: VGGP001915
Insured Name: CONSTRUCTION ENTERPRISES, INC.
Number: 35

VE 06 39 09 14
Effective Date: 02/16/2016

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION – CROSS LIABILITY - NAMED INSURED

This endorsement modifies insurance provided under the following:

Commercial General Liability Coverage Part

This insurance does not apply to any claim or "suit" initiated, alleged, brought by, or caused to be brought by any Named Insured against any other Named Insured.

Policy Number: VGGP001915
Insured Name: CONSTRUCTION ENTERPRISES,
INC.
Number: 36

VE 66 40 09 14

Effective Date: 02/16/2016

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION – CONTINUOUS OR PROGRESSIVE DAMAGE CLAIMS

This endorsement modifies insurance provided under the following:

Commercial General Liability Coverage Part

The following exclusion is added to Paragraph 2. **Exclusions** of both **Section I – Coverage A – Bodily Injury And Property Damage Liability** and **Section I – Coverage B – Personal And Advertising Injury Liability**:

2. Exclusions

This insurance does not apply to:

Continuous or Progressive Damage Claims

Any “bodily injury”, “property damage”, or “personal and advertising injury” which is or is alleged to be continuing or progressive in nature where any damage of any kind began or is alleged to have begun prior to the effective date of this policy. This exclusion will apply whether or not the alleged damage or cause of the alleged damage was known to any person or entity prior to the effective date of this policy.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION OF CERTIFIED ACTS OF TERRORISM

This endorsement modifies insurance provided under the following:

Commercial General Liability Coverage Part

A. The following exclusion is added:

This insurance does not apply to:

TERRORISM

"Any injury or damage" arising, directly or indirectly, out of a "certified act of terrorism".

B. The following definitions are added:

1. For the purposes of this endorsement, "any injury or damage" means any injury or damage covered under any Coverage Part to which this endorsement is applicable, and includes but is not limited to "bodily injury", "property damage", "personal and advertising injury", "injury" or "environmental damage" as may be defined in any applicable Coverage Part.
2. "Certified act of terrorism" means an act that is certified by the Secretary of the Treasury, in accordance with the provisions of the federal Terrorism Risk Insurance Act, to be an act of terrorism pursuant to such Act. The criteria contained in the Terrorism Risk Insurance Act for a "certified act of terrorism" include the following:
 - a. The act resulted in insured losses in excess of \$5 million in the aggregate, attributable to all types of insurance subject to the Terrorism Risk Insurance Act; and

- b. The act is a violent act or an act that is dangerous to human life, property or infrastructure and is committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

C. The terms and limitations of any terrorism exclusion, or the inapplicability or omission of a terrorism exclusion, do not serve to create coverage for injury or damage that is otherwise excluded under this Coverage Part.

Policy Number: VGGP001915
Insured Name: CONSTRUCTION ENTERPRISES,
INC.
Number: 38

VE 01 39 05 15

Effective Date: 02/16/2016

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

NOTICE OF CANCELLATION TO DESIGNATED ENTITIES

This endorsement modifies insurance provided under the following:

Commercial General Liability Coverage Part

SCHEDULE
Name of Person or Organization: Insured to provide listing Street Address: City: State: Zip Code:

TRANSACTION PREMIUM CHARGE
\$

If we cancel this policy on or before the expiration date of the policy, we will mail or deliver to the person or organization shown in the schedule above, written notice of cancellation to the address included above at least days before the effective date of cancellation.

Notice of cancellation will state the effective date of cancellation. The policy will end on that date.

If the notice is mailed, proof of mailing shall be sufficient proof of notice

This endorsement shall not apply for the following reasons:

- a. Cancellation for nonpayment of premium; or
- b. Non-renewal of the policy for any reason.

All other terms and conditions of the policy shall apply and remain unchanged.

Policy Number: VGGP001915
Insured Name: CONSTRUCTION ENTERPRISES,
INC.
Number: 39

VE 06 58 06 15

Effective Date: 02/16/2016

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION – INTELLECTUAL PROPERTY

This endorsement modifies insurance provided under the following:

Commercial General Liability Coverage Part

- A. Exclusion i. Infringement of Copyright, Patent, Trademark Or Trade Secret** under Paragraph 2. **Exclusions** of **Section I – Coverage B - Personal And Advertising Injury Liability** is deleted and replaced by the following:

i. Infringement of Copyright, Patent, Trademark Or Trade Secret

“Personal and Advertising Injury” arising out of:

- (1) Any Infringement, disparagement, dilution or diminution of or damage to:
 - (a) Copyright, slogan or title;
 - (b) Patent;
 - (c) Trademark, service mark, service name, collective mark or certification mark, including without limitation any word, name, symbol, device or any combination thereof used to identify or distinguish the origin of a good, product or service;
 - (d) Trade secret or practice;
 - (e) Trade dress, including without limitation any shape, color, design or appearance used to distinguish the origin of a good, product or service;
 - (f) Advertising ideas, concepts, campaigns, or style of doing business; or
 - (g) Any other proprietary rights or intellectual property rights recognized or implied by law.
- (2) Any false designation of the origin of a good, product or service.
- (3) Any deceptive, false, fraudulent, misleading, unfair, unlawful or untrue business act or practice.

- B. The definition of “Personal and Advertising Injury” in Section V – Definitions** is deleted and replaced by the following:

“Personal and Advertising Injury” means injury, including consequential “bodily injury”, arising out of one or more of the following offenses:

- a. False arrest, detention or imprisonment;
- b. Malicious prosecution;
- c. The wrongful eviction from, wrongful entry into, or invasion of the right of private occupancy of a room, dwelling or premises that a person occupies, committed by or on behalf of its owner, landlord or lessor,
- d. Oral or written publication, in any manner, of material that slanders or libels a person or organization or disparages a person’s or organization’s goods, products or services; or
- e. Oral or written publication of material that violates a person’s right of privacy.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

AMENDMENT – PREMIUM AUDIT

This endorsement modifies insurance provided under the following:

Commercial General Liability Coverage Part

Paragraph 5. **Premium Audit** of **Section IV- Conditions** is deleted and replaced by the following:

5. Premium Audit

- a. All premiums for this policy shall be computed in accordance with our rules, rates, rating plans, premiums and minimum premiums applicable.
- b. Premium shown in this policy as advance premium is a deposit premium only which shall be credited to the amount of the earned premium due at the end of the policy period. Advance premium shall be determined based on an estimate of your exposures for the policy period.
- c. At the close of each period (or part thereof terminating with the end of the policy period) designated in the Declarations as the audit period, we may conduct an audit of your books and records to determine the actual premium bases developed during the policy period and to compute the earned premium. If the total computed earned premium is greater than the premium previously paid, the additional premium is due upon notice to the first Named Insured. If the total computed earned premium is less than the premium previously paid, then we shall receive and retain no less than the minimum premium(s) listed in the coverage part(s) attached hereto.
- d. Failure to pay the additional earned premium due will be deemed a breach of contract and, at our sole discretion, may subject this policy, as well as any other policy of yours in force, to cancellation for non-payment of premium.
- e. Should it become necessary to institute collection activities, including litigation, in order to collect any earned premium, then you shall be responsible for 100% of the expenses, fees and costs incurred by us in that regard plus any collectible interest.
- f. You must maintain records of such information as is necessary for premium computation, and shall send copies of such records to us at the end of the policy period and at such times as we may direct. Failure to supply such records upon request will be deemed a breach of policy conditions and may subject this policy, as well as any other policy of yours in force, to cancellation for breach of policy conditions.
- g. If, after three documented attempts, we are unable to examine your books and records to obtain the information required to complete the audit, the audit will be deemed unproductive and an Estimated Audit Endorsement will be issued as follows:
 - (1) A 20% increase in your reported premium basis will be shown. This increase is an estimate.
 - (2) Documentation on the attempts to collect the required audit information will be included with the endorsement.
 - (3) You must remit payment for the full amount of the additional premium upon receipt of notice to the first Named Insured.
 - (4) If you dispute the Estimated Audit Endorsement, within seven days of receipt of the Estimated Audit Endorsement or other notice regarding the additional premium amount, you must provide the requested audit information to us. Failure to do so shall be deemed as your agreement with the Estimated Audit Endorsement.

Policy Number: VGGP001915
Insured Name: CONSTRUCTION ENTERPRISES,
INC.
Number: 41

VL 06 84 09 15

Effective Date: 02/16/2016

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

SERVICE OF SUIT

This endorsement modifies insurance provided under the following:

Commercial General Liability Coverage Part

Subject to any arbitration provisions of the policy and pursuant to any statute of any state, territory or district of the United States which makes provision therefore, we hereby designate the Superintendent, Commissioner or Director of Insurance or other officer specified for that purpose in the Statute, or her successor or successors in office, as our true and lawful attorney upon whom may be served any lawful process in any action, "suit" or proceeding instituted by or on behalf of you or any beneficiary hereunder arising out of this contract of insurance, and hereby designate the below named as the person to whom the said officer is authorized to mail process or a true copy thereof.

It is further agreed that service of process in such "suit" may be made upon Jan Shemanske, or her nominee, of the Company at 7233 East Butherus Drive, Scottsdale, Arizona 85260 and that in any "suit" instituted against any one of them upon this policy, we will abide by the final decision of such Court or of any Appellate Court in the event of an appeal.

It is agreed that in any state requiring a standard form of policy, insurance hereunder on values or properties in such state shall attach and cover in accordance with the terms and conditions of such standard form.

Policy Number: VGGP001915
Insured Name: CONSTRUCTION ENTERPRISES,
INC.
Number: 42

VE 06 81 09 15

Effective Date: 02/16/2016

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**EXCLUSION – VIOLATION OF TRADE OR ECONOMIC SANCTIONS LAWS
OR REGULATIONS**

This endorsement modifies insurance provided under the following:
Commercial General Liability Coverage Part

We shall not be liable to provide coverage, pay any claim or provide any benefit hereunder to the extent that the provisions of such coverage, payment of such claim or provisions of such benefit would be in violation of any trade or economic sanctions law or regulation applicable to our jurisdiction of domicile or those of another jurisdiction with which we are legally obligated to comply.

Policy Number: VGGP001915
Insured Name: CONSTRUCTION ENTERPRISES,
INC.
Number: 43

VE 05 88 11 15

Effective Date: 02/16/2016

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

PREMIUM BASIS

This endorsement modifies insurance provided under the following:

Commercial General Liability Coverage Part

The following definitions apply to the Premium Basis shown in the Declarations.

A. ADMISSIONS

1. Definition:

The total number of persons, other than employees of the Named Insured, admitted to the event insured or to events conducted on the premises whether on paid admissions, tickets, complimentary tickets or passes.

2. Application:

The rates apply per 1,000 Admissions.

B. SQUARE FEET

1. Definition:

The total number of Square Feet of floor space at the insured premises, computed as follows:

- a. For entire buildings, by multiplying the product of the horizontal dimensions of the outside of the outer building walls by the number of floors, including basements but do not use the area of the following:

- (1) Courts and mezzanine types of floor openings.

- (2) Portions of basements or floors where 50% or more of the area is used for shop or storage for building maintenance, dwelling by building maintenance employees, heating units, power plants or air-conditioning equipment.

- b. For tenants, determine the area they occupy in the same manner as for entire buildings.

2. Application:

The rates apply per 1,000 Square Feet of area.

C. EACH

This basis or premium involves units of exposure, and the quantity comprising each unit of exposure is indicated in the classification footnotes, such as "per person".

D. GALLONS

1. Definition

The basis of premium is the total number of gallons sold or distributed.

Specifically for Gas Dealers and Distributors – where a record of the number of gallons sold is not available, the number of gallons to be used for premium computation purposes shall be determined by dividing the number of pounds sold by 4.6.

2. Exclusions

Specifically for Gas Dealers and Distributors - distribution of gas transferred to gas dealers by pipeline, gas mains or piping.

3. Application:

The rates apply per 1,000 Gallons.

E. GROSS SALES

1. Definition:

The gross amount charged by the Named Insured, concessionaires of the Named Insured or by others trading under the insured's name for:

- a. All goods or products, sold or distributed;
- b. Operations performed during the policy period;
- c. Rentals; and
- d. Dues or fees.

2. Inclusions:

The following items shall not be deducted from "gross sales" as determined above:

- a. Foreign exchange discounts;
- b. Freight allowance to customers;
- c. Total sales of consigned goods and warehouse receipts;
- d. Trade or cash discounts;
- e. Bad debts; and
- f. Repossession of items sold on installments (amount actually collected).

3 Exclusions:

The following items shall be deducted from "gross sales":

- a. Sales or excise taxes which are collected and submitted to a governmental division;
- b. Credits for repossessed merchandise and products returned. Allowances for damaged and spoiled goods;
- c. Finance charges for items sold on installments;
- d. Freight charges on sales if freight is charged as a separate item on customer's invoice;
- e. Royalty income from patent rights or copyrights which are not product sales; and
- f. Rental receipts for products liability coverage only.

4 Application:

The rates apply per \$1,000 of Gross Sales.

F. PAYROLL

1. Definition:

- a. Payroll means remuneration.
- b. Remuneration means money or substitutes for money.

2. Inclusions

Payroll includes the following items:

- a. Commissions;
- b. Bonuses;
- c. Extra pay for overtime work, except as provided in paragraph 4. below;
- d. Pay for holidays, vacations or periods of sickness;
- e. Payment by an employer of amounts otherwise required by law to be paid by employees to statutory insurance or pension plans, such as the Federal Social Security Act;
- f. Payment to employees on any basis other than time worked, such as piece work, profit sharing or incentive plans;
- g. Payment or allowance for hand tools or power tools used by hand provided by employees and used in their work or operations for the insured;
- h. The rental value of an apartment or a house provided for an employee based on comparable accommodations;
- i. The value of lodging, other than an apartment or house, received by employees as part of their pay, to the extent shown in the insured's records;
- j. The value of meals received by employees as part of their pay to the extent shown in the insured's records;
- k. The value of store certificates, merchandise, credits or any other substitute for money received by employees as part of their pay;
- l. The Payroll of "mobile equipment" operators and their helpers, whether or not the operators are designated or licensed to operate "autos" or "mobile equipment". If the operators and their helpers are provided to the insured along with equipment hired under contract and their actual Payroll is not known, use 1/3 of the total amount paid out by the insured for the hire of the equipment;
- m. The Payroll of executive officers of a corporation and individual insureds and co-partners. For the purposes of Payroll determination, managers of limited liability companies shall be considered executive officers and members of limited liability companies shall be considered co-partners.

The executive officers of a corporation are those persons holding any of the officer positions created by the Named Insured's charter, constitution or by-laws or any other similar governing document.

The Payroll of all executive officers of an corporation and individual insureds or co-partners engaged principally in clerical operations or as salespersons, and officers and co-partners who are inactive for the entire policy period shall not be included for premium purposes.

For part-time or seasonal businesses the Payroll amounts may be reduced by 2 percent for each full calendar week in excess of twelve during which the risk performs not operations.

- n. The Payroll of leased workers furnished to the Named Insured by a labor leasing firm. Premium on such Payroll shall be based on the classifications and rates which would have applied if the leased workers had been the direct employees of the Named Insured. If Payroll is unavailable, use 100% of the total cost of the contract for leased workers as the Payroll of leased workers. The premium shall be charged on that amount as Payroll.

If investigation of a specific employee leasing contract discloses that a definite amount of the contract price represents Payroll, such amount shall be considered Payroll for the premium computation purposes.

- o. Fees paid to employment agencies for temporary personnel provided to the insured.

3. Exclusions

Payroll does not include:

- a. Tips and other gratuities received by employees;
- b. Payments by an employer to group insurance or group pension plans for employees, other than payments covered by paragraph 2.e. above;
- c. The value of special rewards for individual invention or discovery;
- d. Dismissal or severance payments except for time worked or accrued vacation;
- e. The Payroll of clerical office employees;

Clerical office employees are those employees who work in an area which is physically separated by walls, floors or partitions from all other work areas of the insured and whose duties are strictly limited to keeping the insured's books or records or conducting correspondence, including any other employees engaged in clerical work in the same area.

- f. The Payroll of salespersons, collectors or messengers who work principally away from the insured's premises. Salespersons, collectors or messengers are those employees engaged principally in any such duties away from the premises of the employer;

This term does not apply to any employee whose duties include the delivery of any merchandise handled, treated or sold.

- g. The Payroll of drivers and their helpers if their principal duties are to work on or in connection with automobiles;
- h. The Payroll of aircraft pilots or co-pilots if their principal duties are to work on or in connection with aircraft in either capacity; and
- i. The Payroll of draftsmen if their duties are limited to office work only and who are engaged strictly as draftsmen in such manner that they are not exposed to the operative hazards of the business. They Payroll of these draftsmen shall be assigned to the classification "Draftsmen" – Code 91805.

4. Overtime

a. Definition

Overtime means those hours worked for which there is an increase in the rate of pay:

- (1) For work in any day or in any week in excess of the number of hours normally worked, or
- (2) For hours worked in excess of 8 hours in any day or 40 hours in any week, or
- (3) For work on Saturdays, Sundays or Holidays.

In the case of guaranteed wage agreements, overtime means only those hours worked in excess of the number specified in such agreement.

b. Exclusion of Overtime Payroll

The extra pay for overtime shall be excluded from the Payroll on which premium is computed as indicated in (1) or (2) below, provided the insured's books and records are maintained to show overtime pay separately by employee and in summary by classification.

- (1) If the records show separately the extra pay earned for overtime, the entire extra pay shall be excluded.
- (2) If the records show the total pay earned for overtime (regular pay plus overtime pay) in one combined amount, $\frac{1}{3}$ of this total pay shall be excluded. If double time is paid for overtime and the total pay for such overtime is recorded separately, $\frac{1}{2}$ of the total pay for double time shall be excluded.

5. Application

The rates apply per \$1,000 of Payroll.

G. TOTAL COST

1. Definition

The Total Cost of all work let or sublet in connection with each specific project including:

- a. The cost of all labor, materials and equipment furnished, used or delivered for use in the execution of the work; however, do not include the cost of finished equipment installed but not furnished by the subcontractor if the subcontractor does no other work on or in connection with such equipment; and
- b. All fees, bonuses or commissions made, paid or due.

2. Application

The rates apply per \$1,000 of Total Cost.

H. TOTAL OPERATING EXPENDITURES

1. Definition

Total expenditures (including grants, entitlements and shared revenue) without regard to source of revenue during the policy period, including accounts payable.

2. Inclusions

The following items are included in Total Operating Expenditures:

- a. Capital improvements - Work performed by the named insured in connection with any purchase or improvement of any individual item of personal or real property which is bonded or financed, including interest thereon, or exceeds 5% of Total Operating Expenditures;
- b. Expenditures for independent contractors operations when the contractor does not carry adequate insurance;
- c. Any federal or state funds for the sole purpose of training employees unless a separate policy with adequate coverage and limits has been issued in the name of the governing body of such funds with the governmental entity named as an additional insured or a hold harmless agreement in favor of the governmental subdivision exists.

3. Exclusions

The following items are excluded from Total Operating Expenditures:

- a. Capital improvements - Any purchase or improvement of any individual item of personal or real property which is bonded or financed, including interest thereon, or exceeds 5% of Total Operating Expenditures;
- b. Expenditures for independent contractors operations where the contractor carries adequate insurance;
- c. Welfare benefits (not administrative costs) including expenditures for activities designed to provide public assistance and institutional care (for example, old age assistance, aid to dependent children, aid to blind, social security payments). Any federal or state funds for the sole purpose of training employees should be excluded if a separate policy with adequate coverage and limits has been issued in the name of the governing body of such funds with the governmental entity named as an additional insured or a hold harmless agreement in favor of the governmental subdivision exists;
- d. Expenditures from the Intra-governmental Service Fund if funding is budgeted for and received from other funds. This is necessary to prevent double counting of certain expenditures;
- e. Expenditures on those exposures which are separately rated. However, not all of the exposures that are separately rated may have expenditures.

4. Accounting Terminology

The following are explanations of accounting terminology used in the definition of Total Operating Expenditures or addressed in the inclusions or exclusions.

- a. Grant - A contribution or gift by one governmental unit to another unit. It can be cash or other assets. The contribution is usually made to aid in the support of a specific function, for example, education, but it is sometimes for general purposes.

Capital grants are restricted for the acquisition and/or construction of fixed (capital) assets. All other grants are operating grants.

- b. Entitlement - The amount of payment to which a political subdivision is entitled as determined by the Federal Government, for example, revenue sharing.
- c. Shared Revenue - A revenue levied by one government but shared on a predetermined basis with another government or class of government, often in proportion to the amount collected at the local level.
- d. Budget - The budget for a government subdivision consists of a series of Funds (basically, a minibudget) where a Fund is defined as an independent fiscal and accounting entity with a self-balancing set of accounts recording cash and/or other resources together with all related liabilities, reserves and equities. Transfer of funds should be excluded from the expenditures of the transferor (for example, included in the expenditures of the recipient).

Most of the expenditures for items to be excluded from or included in Total Operating Expenditures can be found as entries in the following Funds:

- (1) General Fund - Used to account for all financial resources except those required to be accounted for in another fund. It would be used for all general governmental operations such as administration, public works, parks, recreation and education. If there are education expenditures, a separate education fund is established which falls under the general fund heading.

The General Fund is used to account for the ordinary operations of a governmental unit which is financed from taxes and other general revenues.

- (2) Special Revenue Funds - To account for the proceeds of specific revenue sources (other than special assessment, expendable trusts, or for major capital projects) that are legally restricted to expenditure for specified purposes. An example is a motor fuel tax fund used to finance highway and road construction.
- (3) Capital Projects Funds (Bond Funds) - To account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by Propriety Funds, Special Assessment Funds and Trust Funds).
- (4) Debit Service Fund (formerly called a Sinking Fund) - To account for the accumulation of resources for, and the payment of, general long-term debt principal and interest.
- (5) Special Assessment Fund - To finance and account for the construction of improvements or provision of services which are to be paid for, wholly or in part, from special assessments levied against the benefited property. An example is the construction of sewer lines.
- (6) Enterprise Fund - To finance and account for the acquisition, operation and maintenance of governmental facilities and services which are entirely or predominantly self-supporting by user charges. Examples of facilities and services are water, gas and electric utilities, swimming pools, airports, parking garages and transit systems.
- (7) Intra-governmental Services Fund (formerly called a Working Capital Fund) - To finance and account for services and commodities furnished by a designated department or agency to other departments and agencies within a single governmental unit. Amounts expended by the fund are restored either from operating earnings or by transfers from other funds, so that the original fund capital is kept intact.

5. Application

The rates apply per \$1,000 of Total Operating Expenditures.

I. UNITS

A single room or group of rooms intended for occupancy as separate living quarters by a family, by a group of unrelated persons living together, or by a person living alone.

J. CONSTRUCTION COSTS

1. Definition:

"Construction Costs" means the total cost for all work performed during the policy period by you or for you by independent contractors and/or subcontractors at all levels.

2. Inclusions:

The following items are included in Construction Costs

- a. The cost of all labor, materials, equipment and supplies furnished, used or delivered for use in the execution of such work, whether furnished by the owner, by the contractors, or by subcontractors at any level.
- b. General conditions, contingency fees, overhead and profit.

3. Exclusions:

Soft costs, including but not limited to, the cost of land acquisition, financing (including lender's fees), insurance premiums, attorneys, environmental audits, architectural fees, engineering fees, design costs, permitting costs, consulting costs and other associated fees shall be deducted from Construction Costs.

4. Application:

The rates apply per \$1,000 of Construction Costs.

Policy Number: VGGP001915
Insured Name: CONSTRUCTION ENTERPRISES,
INC.
Number: 44

VE 01 39 05 15

Effective Date: 07/20/2016

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

NOTICE OF CANCELLATION TO DESIGNATED ENTITIES

This endorsement modifies insurance provided under the following:

Commercial General Liability Coverage Part

SCHEDULE
Name of Person or Organization: Bank of the Ozarks, ISAA Atima Street Address: 8301 Preston Road, Suite 700 City: Dallas State: TX Zip Code: 75225

TRANSACTION PREMIUM CHARGE
\$Included

If we cancel this policy on or before the expiration date of the policy, we will mail or deliver to the person or organization shown in the schedule above, written notice of cancellation to the address included above at least 30 days before the effective date of cancellation.

Notice of cancellation will state the effective date of cancellation. The policy will end on that date.

If the notice is mailed, proof of mailing shall be sufficient proof of notice

This endorsement shall not apply for the following reasons:

- a. Cancellation for nonpayment of premium; or
- b. Non-renewal of the policy for any reason.

All other terms and conditions of the policy shall apply and remain unchanged.